SUB PROJECT PLANS

1. OST DATA CLEAN UP

In this Sub project, the OST will standardize and verify IIM system data for trust financial records, and correct and establish an inventory of hard copy records used daily for each trust fund account.

A critical aspect of the trust fund reform effort is the clean up of IIM data in the system, along with compiling accountable IIM Jacket Folders. The data in the current system must be scrutinized and scrubbed in an orderly fashion. Numerous deficiencies exist in the data because of inconsistent application of any "standard" method of data input, account/data review, or standardized use of Tribal Codes, Alpha Codes or Management Codes. Specific examples of some problems which required clean up are:

- 5,500 plus IIM accounts exist for "minors" who have reached the age of majority;
- 46,000 plus IIM accounts do not have a current address for the account holder;
- 123,000 plus IIM accounts lack a social security or tax identification number;
- 23,000 plus special deposit accounts with undistributed funds;
- 2,758 IIM accounts exist containing Tribal funds.

The project to clean up the IIM database is designed to standardize and verify the data housed in the current IIM system.

Additionally, the project will provide an inventory of the hard copy records for each account, determine its condition and recommend any corrective actions. A quality review team will check and verify the corrective actions taken. The desired results are:

- Every Area/Agency/Tribe uses a standard set of codes to open and maintain accounts in the Trust Funds Accounting System (TFAS);
- Every Area/Agency/Tribe obtains as complete and accurate information as possible for each account holder and this information is reflected properly in the TFAS.

Every IIM account will have a jacket file with complete documentation regarding the management of that individual account.

The work of this Sub project occurred at several BIA Area and Agency Offices initially. The principal site for the effort is in Albuquerque, New Mexico, at the site leased by the clean up contractor.

Doug Lords, Deputy Director, Office of Trust Funds Management, OST, is responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - OST Data Clean Up			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [1]
Dollars in millions	6.2	4.0	1.5

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following pages.

A. Establish Project Charter.

The Director, OTFM outlined the data clean up project effort at the end of 1996. The purpose of the project was to standardize and verify the data housed in the current IIM system, preparatory to conversion to a new trust fund accounting system. A further charter was to build an inventory of the hard copy records for each account and identify deficiencies in documentation from established standards. This task was completed by November 30, 1996.

B. Organize Project and Temporary Staff to Conduct Records Clean Up Pilot.

A project leader was appointed from among OTFM's permanent staff. A supplemental temporary staff, ranging at times from 5 to 10 personnel, was recruited to undertake a pilot of data clean up procedures. Over a period of the next several months, the staff traveled to pilot sites to perform data clean up steps and refine procedures necessary for a larger effort. The project organization and selection of temporary staff was completed by December 31, 1996.

C. Select and Clean Up a Test Agency.

The initial pilot agency, Flathead Agency, within Portland Area Office's jurisdiction, was selected as the pilot for the clean up project as it is anticipated that it will have a sample appropriate for an average office. The Flathead Agency has approximately 4,400 accounts in the IIM system. All active and inactive IIM jacket files were reviewed. As records were reviewed, new policies and procedures were developed to institute the standard codes as well as to document that the review procedures are being followed. The work at the initial clean up site was completed by March 31, 1997.

D. Select Additional Test Site and Clean Up Records.

Albuquerque Area Office was the first Area site chosen for review after the pilot agency. Based on findings and documentation retrieved from the pilot agency, it was determined that the initial review did not provide for a complete and thorough account management examination. Processes were added and/or modified to accommodate a complete and thorough examination. These processes were applied to the Area's IIM accounts with scrutiny given to Special Deposits, Overdrafts, and House accounts. Additionally, an Estate Accounts Review was added. The Albuquerque Area Office clean up was completed in June, 1997.

[1] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

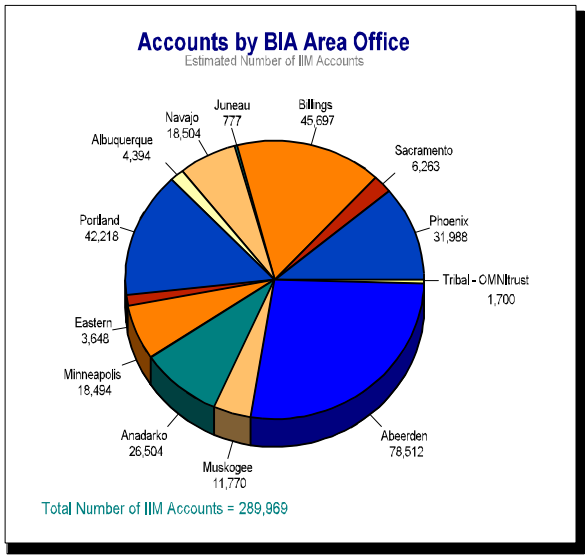
E. Develop and Refine Clean Up Processes.

As records were reviewed for the pilot agency, new policies and procedures were developed to document the review procedures as well as to institute the standard codes. The types of problems addressed by new policies and procedures include Dormant Accounts, Small Balance Accounts, Whereabouts Unknown, and Zero Balance Accounts. Policies and Procedures are continually under development to address new anomalies. The results at this point in the clean up effort and associated research revealed the following with regard to existing IIM accounts on the IIM system.

- C 749,000 potential files to research and check for documents
- C 45,600 ($27.7 Million) “Whereabouts Unknown” accounts to research
- C 128,400 Tax Identification or Social Security Numbers to obtain
- C 16,800 Duplicate Accounts and 6,100 Special Deposit accounts to research
- C 14,500 Zero Balance accounts to research and close, if appropriate
- C 14,900 accounts with no activity for 18 months to research and resolve

The initial pilots for the OST Data Clean up project were finished by June 30, 1997.

The table below details the number of IIM accounts by BIA Area in the IRMS IIM Module, and includes a figure for current tribal accounts.



F. Acquire Contractor to Perform Clean Up of Financial Records in 18 Months.

The performance-based statement of work was developed utilizing information discovered in the pilot agency and area. The contract consists of seven steps of project work including:

1. Planning: Project planning, including process analysis and development of technical training package;
2. Phase I: Statistical reporting “Before”;
3. Phase II: Organization of files and data verification;
4. Phase III: Individual accounting reviews;
5. Phase IV: Storage (temporary and electronic) of records;
6. Phase V: Statistical reporting “After”;
7. Phase VI: Follow-up and continuous improvements.

The OTFM contacted Small Business Administration (SBA) Offices in Denver, Phoenix, Albuquerque and Oklahoma City to obtain information on 8(a) certified firms

capable of completing the contracting work. This search was limited geographically to save travel expense dollars. Based on information supplied by SBA about specific contract-required skills and capabilities, two firms were contacted to present to OTFM capabilities statements. DataCom Sciences, Inc., an Oklahoma City-based Indian-owned firm, demonstrated they understood the scope of work, proposed level of effort, as well as their capabilities to accomplish that work.

OTFM and BIA contract personnel traveled to Oklahoma City in August 1997 to negotiate the terms of the contract. The contract was subsequently awarded as a Cost Plus Incentive performance-based contract to DataCom Sciences, Inc. under revised, simplified acquisition procedures established for the Federal government. Acquisition of contractor support was completed August 27, 1997.

G. Select Pilot Site for Pilot Test of New Trust Funds Accounting System.

A decision was made to pilot and test the new Trust Funds Accounting System initially at one or more BIA Area Office locations before rolling out the system to all IIM and Tribal accounts across all BIA and OTFM locations. Accordingly, the OST Data Clean up project must align with the trust accounting Pilot effort, and the initial data clean up needed to be completed at the Area selected for the systems pilot. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, considering the following:

- C Whether the Area was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting and income types;
- C Information about the status of previous or on-going records clean up efforts in the areas of trust management records, BIA trust asset and land title records; and Hearings and Appeal probate backlogs;
- C The general receptivity of Area Management and Indian representatives;
- C Staff knowledge in terms of automation, policies and procedures, trust management, etc.;
- C Logistical considerations such as telecommunications, geographics and costs.

This task was completed and approved on November 13, 1997, by the Secretary's Trust Improvement Steering Committee with the selection of BIA's Phoenix Area as the Pilot site for the Trust Funds Accounting System.

H. Task Contractor to Perform Methods Study, Project Planning and Production Gear-up.

The first task order was issued for a three week period to brainstorm and evaluate the bottom line needs of the proposed effort, and the most efficient and effective alternatives for accomplishing the clean up project. Five options were studied ranging from completing the clean up work in the field at each office, to completing the work in a centralized location. Budget estimates to support each option were also developed. Estimated costs ranged from approximately $7 to $18 million, depending on the approach chosen. The final report from this first task was delivered to management on September 12, 1997. The decision was made by OST management to centralize the clean up effort in Albuquerque, New Mexico. The budget estimate prepared for this option is the contract budget for this project. The contractor initiated planning and work to prepare the operation for production. This included locating and obtaining space, communications, equipment, and employees. The contractor was also tasked to work with the government to finalize the analysis of each process used in the clean

up effort, and to develop the project training manual. These efforts were tasked to the contractor by September 30, 1997, and the contractor completed all phases of the work in late December, 1997.

I. Task Contractor to Plan, Initiate, Conduct and Complete Clean Up.

The task order was issued to begin production of the clean up work and the contractor began clean up work on January 5, 1998. OTFM employees will provide the quality assurance compliance checks for the contractor's work under this performance based contract. The clean up is organized into four basic work activities controlling the flow of IIM records through the clean up. These activities are storage and inventory control; organization and filing; data verification; and account review.

An extensive help desk was organized to control documentation and respond to both field and OTFM inquiries. A designated contractor supervisor monitors the workflow during each activity and assists assigned contractor staff with problems and answers questions. From time to time, the contractor rotates or alternates both workers and supervisors among the various activities to provide cross training and to establish backup capability. The estimated completion date for this effort is June, 1999, at the conclusion of the OST Clean Up Sub project.

J. Gather Phoenix's Financial Trust Records Centrally in Albuquerque.

Records collection in the Phoenix area was initiated on December 5, 1997. Teams of OTFM employees were dispatched to Phoenix Area Agency Offices to collect, box and transport OTFM's active IIM account file jackets and unfiled documents to the contractor in Albuquerque, New Mexico. Controlled mail was used to ensure document control; precise inventories of the number of boxes shipped and received are maintained. Nearly a thousand boxes of OTFM active IIM financial trust records were transported from Phoenix Area and Agency Offices. The last shipment of boxed IIM jacket files and unfiled documents was received in Albuquerque on February 3, 1998 for the Phoenix Area.

K. Finish Clean Up of Phoenix Area Financial Trust Records.

Processing of Phoenix Area financial records commenced on January 5, 1998, and was completed on March 29, 1998. Over 33,000 IIM file jackets, supporting an equal number of accounts, were processed, examined, and verified by the contractor. IIM systems data was validated and/or corrected under strict quality control standards. The Phoenix Area IIM accounts are maintained in readiness for the Trust Funds Accounting System conversion in August, 1998.

L. Continue Gathering IIM File Jackets and Trust Records From Other Areas.

In order to perform the IIM clean up work in Albuquerque, New Mexico, the IIM file jacket folders and related records are brought in from all field locations to the clean up site. Records from one Agency field location are brought in one at a time and the records processed and cleaned up quickly so the field agency can resume daily processing as soon as possible. The OTFM sends staff to each location to pack and transfer the IIM records to the clean up site. In all cases, the IIM records are inventoried and subject to detail control logs on both ends of the shipping process. Records are transported, received and cleaned up from the following BIA Areas: Phoenix, Juneau, Sacramento, Albuquerque, Navajo, Anadarko, and Muskogee. Records are scheduled for shipment from the balance of Areas through May 1999. Once received

at the clean up site, DataCom will make copies of the records available to Area and/or Agency staff as needed. While under DataCom's control, the IIM records are subject to strict confidentially and safety policies and procedures. Records can only be seen by authorized employees performing prescribed clean up work processes. Visitor access to the DataCom facility is controlled. Removal of IIM records from the facility without written consent of OTFM and DataCom management is prohibited.

M. Oversight Contractor's Efforts and Report on Progress.

A full-time contracting officer's technical representative interfaces daily with DataCom. Weekly progress report meetings are held between the Contracting Officer, OTFM management and DataCom managers. Appropriate progress and management reports are provided by the contractor. This will continue through the life of the contract for data clean up, and is an on-going activity.

N. Complete IIM File Jacket Clean Up.

The OST contractor, DataCom Sciences, Inc., is scheduled, and is on track to complete the clean up of trust financial documents contained in the IIM jacket files by June, 1999. The schedule for OST jacket files cleanup is depicted in the table in the next column.

OST DATA CLEAN UP SCHEDULE

BIA AREA	CLEAN UP COMPLETED
Phoenix	March 1998
Juneau	April 1998
Sacramento	April 1998
Albuquerque	April 1998
Navajo	May 1998
Anadarko	July 1998
Muskogee	August 1998
Eastern	August 1998
Billings	December 1998
Minneapolis	January 1999
Aberdeen	June 1999
Portland	June 1999

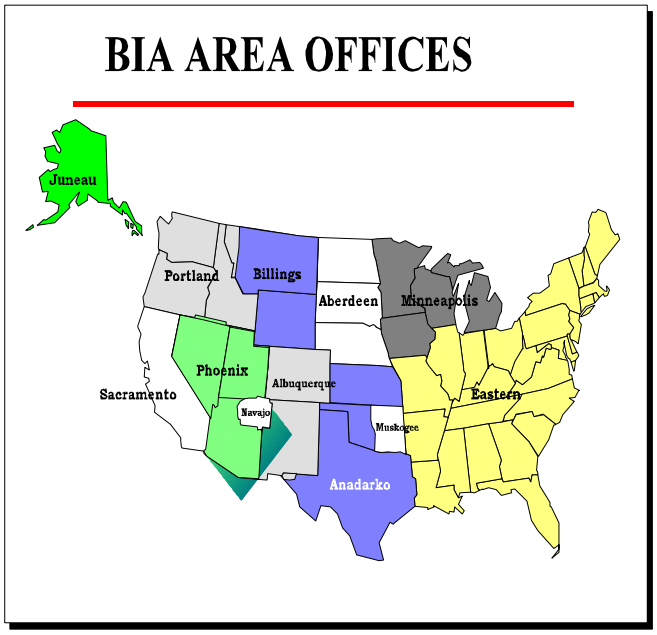
O. Identify, Report on, Organize and Initiate Follow-on Clean Up Efforts.

The current financial records clean up will not resolve all deficiencies nor effect a 100 percent clean up of OST financial trust documents. It is known that in some cases documentation is absent or missing from active files, local procedures have created special clean up actions unique to a particular Area or Agency, Management Codes must be reevaluated to many IIM accounts, and the use of Special Deposit accounts must be reconciled with regulation and law, and existing accounts cleaned up in coordination with BIA. There exists also the reported "whereabouts unknown" and missing tax identification information in accounts. As was expected, additional clean up efforts will continue or have to be initiated to further refine the trust fund account database, both before and after conversion to the new Trust Funds Accounting System. This is an on-going effort for OTFM and BIA for an indeterminate time into the future.

2. BIA DATA CLEAN UP

The goal is to ensure correct and updated data such that Indian trust records are accurate and meet integrity and operational standards.

The focus of the BIA Data Clean Up effort is on land title and resource management



information maintained by the bureau in automated systems, microfilm/microfiche, and physical hardcopy files/folders.

There are currently two BIA-wide automated systems: the Land Records Information System (LRIS), and the Integrated Records Management System (IRMS). Several of the Land Title and Record Offices (LTROs) and Agencies use locally developed and maintained systems to support the land title and the resource management function (similar in function to the IRMS). Others perform this function manually and do not use any automated systems.

LRIS supports the land title function and is primarily an LTRO level system but also provides reports at the Agency level. It is primarily a batch system and contains information about tracts of land, title-related information, and information about land title ownership, which includes information concerning encumbrances, such as leases. It calculates ownership interests (in fractional and decimal forms) used by Agencies for distribution of land revenue.

IRMS supports the land resource management function and is primarily used at the Agency level for generating lease bills and for income/revenue distribution to Indian owners. It contains information on Indians (People File), Leases (i.e., pasture, range, timber, mineral mining), “land ownership” (actually income allocation data), oil & gas royalties, and IIM accounts. It consists of five separate non-integrated modules, each supporting respective information categories. The information contained in each of these modules is entered manually, and contains many of the same data elements, and is not integrated or cross-checked for consistency. As a result, the same data has the potential of being inconsistently maintained by each module. Further, LRIS and IRMS are not integrated, have no electronic interfaces and duplicate much of the same information (i.e., ownership, land, leases/encumbrances). This leads to manual entry of the same information into both LRIS and IRMS, or alternative systems, which is subject to errors during data entry and the potential for inconsistency in the information contained in each system.

Neither LRIS nor IRMS fully or adequately support all the activities of the land title and resource management functions performed at the LTRO or Agency levels. Both use old technology which does not facilitate data integrity. Due to the legal requirements to maintain hard copies of certain land related documents, both the LTROs and Agencies maintain voluminous manual files and folders, and in numerous cases have developed local automated and manual applications supplanting IRMS. Those files/folders associated with current leases are well organized and indexed, and generally contain adequate, associated information on titles or leases. Historical lease information is known to be in inconsistent states of completeness and availability. Preliminary assessment indicates the files/folders are currently organized in a manner which will support the data clean up effort and do not need a preprocessing exercise to organize the data.

It is widely believed the data maintained in support of land title and resource management requires clean up and reconciliation across systems. "Dirty" data is the result of, among other things, multiple manual entries of the same information into the automated system, the tendency to use the same information inconsistently across automated systems and functions, and the use of different automated systems for the land resource management function. However, the degree and specific issues associated with "dirty", incorrect or inconsistent information in the automated and manual files is not fully known at this point.

The BIA Data Clean Up effort will be performed where the title and lease documents are maintained and used; will be performed by a combination of BIA staff familiar with these records/documents and contractors; and will focus on current data only.

Following clean up of data and information essential to the TAAMS Pilot in Billings, additional data clean up will be performed after migration to the new TAAMS and LRIS systems when a modern database and tools are available to support such an effort. The initial tasks under this Sub project will finalize the data clean up approach to take.

The BIA Data Clean Up Sub project will:

- C Identify missing documents/data and enter the pertinent data into the appropriate systems;
- C Verify/Reconcile Current and Historical data;
- C Prepare data for conversion to new TAAMS and LRIS capabilities;
- C Establish effective data administration policies and procedures;
- C Coordinate the BIA Clean Up effort with the other clean up efforts (e.g., OST, OHA);
- C Provide clean land management data in time for the initial implementation of the new TAAMS system (a pilot) by February 1999 and full deployment to BIA Areas by June 2000;
- C Minimize impact to on-going land management activities at the LTROs, Agencies, and Tribes;
- C Maximize contractor support to ensure that current daily operations are not adversely impacted and service remains responsive.

Mona Infield, Office of IRM, BIA, and Stuart Ott, Office of Management and Administration, BIA, are responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - BIA Data Clean Up			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 [2] Estimate
Dollars in millions		4.4	7.8

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Assign the BIA Data Administrator and Data Administration Team.

An individual familiar with the breadth of land management data requirements will be assigned responsibilities of BIA Data Administrator and oversight of the BIA Data Clean Up Sub project effort. In addition, a Data Administration Team will be formed as the core team to address Data Clean Up efforts. Data Administration includes defining the data elements required within each of the BIA data categories (e.g., Tract Data, Title Data, Lease Data, Mineral & Mining Encumbrance Data, People Data), developing a data dictionary, defining data standards and attributes, and establishing data quality metrics. This task will ensure this effort has an individual who is focused on and responsible for ensuring the timely completion of this effort and coordination of this Sub project with other Trust Management Improvement efforts. The Data Administrator will have the responsibility to manage the databases, and the data within the databases, wherever that data resides. Assigning the Data Administrator and the Data Administration team will occur by the end of July, 1998.

B. Identify Data Elements, Define Goals, Standards, and Metrics, and Resolve Data Ownership Issues.

The Data Administration Team will define the data elements (i.e., title data, ownership data, lease data) and the attributes of each data element. Before an assessment of the quality or issues associated with BIA data/records can be made, a definition of data quality, data standards, and associated metrics need to be established against which to measure the quality of data. These goals, standards and metrics will establish the framework needed to quantitatively assess the quality and issues associated with BIA land management and data/records. The Data Administration Team members and selected interested parties will identify and resolve any overlapping of data elements, differences in data element definitions, and data ownership issues. A draft TAAMS data dictionary will be provided for inclusion in the TAAMS RFP. This task will be completed no later than August, 1998. The data dictionary will be operational by October, 1998.

C. Perform Data Quality Analysis.

An analysis of BIA trust and land management data/records will be performed to determine the extent of the data clean up effort needed and the issues associated with the data contained in the current automated systems and file/record folders. The data quality goals, standards and metrics developed in the previous task will be used as the baseline against which the data/records will be compared. This will involve defining the types of data/records to be analyzed, locations to be analyzed, number of items to be analyzed, individuals to perform the analysis, IV & V of the effort, and development of analysis procedures

[2] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

and checklists. This will be planned by the Data Administration Team and executed by local BIA staff supplemented by contractor support. This task will be completed by the end of December, 1998.

The scope of the BIA Data Clean up effort is outlined in the following table.

SCOPE OF BIA DATA CLEANUP

BIA AREA	TOTAL LEASES	TOTAL BACKLOG
Billings	16,508	3,640
Juneau	286	36,717
Albuquerque	1.326	5,555
Navajo	21,715	
Anadarko	3,857	4,355
Muskogee	2,575	4,437
Eastern	1,846	287
Minneapolis	2,207	
Aberdeen	11,510	2,981
Portland	14,423	2,854
Sacramento	22,885	1,296
Phoenix	5,945	
TOTAL	**105,083**	**62,122**

D. Develop Data Clean Up Strategy, Policies and Procedures.

Based on the results of the data/record analysis task, BIA will develop an overall strategy for performing data clean up. This strategy and subsequent detail plans will address how data clean up will be performed, what data/records are cleaned up during the TAAMS Pre-deployment and Post-deployment periods, where data clean up is going to be performed, and who is going to perform the data/record clean up (e.g., current BIA staff, new hires, contractor support). Based upon the developed strategy, data clean up and data quality policies and procedures are prepared. Standards, policies, and procedures are expected to be completed by the end of January, 1999.

E. Train on Data Clean Up and Data Quality Policies and Procedures.

Before actual data clean up efforts begin, the BIA staff and supporting contractors who are to perform the data clean up and the BIA staff who enter Trust Management data into the automated systems and maintain the record folders will be trained in the new data quality standards, policies, and procedures. Training will be performed by the Data Administration Team Members supported by contractors. Training will be given to contractors and staff at the LTROs, Agencies, and any Tribes that enter and use Trust Management data. Training will begin in January, 1999 and will follow the TAAMS implementation order by Area Office.

F. Perform Pre-Deployment Data Clean Up in Current Systems.

Based on the results of the analysis task and the developed Data Clean Up Strategy, data/records needing clean up prior to deployment of TAAMS will be addressed during this task. This will include necessary data clean up to support the TAAMS Pilot and deployment. The Pre-deployment data clean up task for the Pilot site will be completed by the end of May, 1999.

The following table depicts the BIA Data Clean up schedule.

BIA DATA CLEAN UP SCHEDULE

BIA AREA	CLEAN UP COMPLETED
Billings	May 1999
Juneau	August 1999
Anadarko	August 1999
Aberdeen	October 1999
Albuquerque	December 1999
Navajo	December 1999
Muskogee	December 1999
Eastern	February 2000
Minneapolis	March 2000
Phoenix	March 2000
Portland	May 2000
Sacramento	May 2000

G. TAAMS Replacement Post-Deployment Clean Up.

Post-deployment of TAAMS and LRIS, additional clean up activities will be required. Subject to data integrity goals, Data Clean Up activities that can be performed more effectively in the new environment will be accomplished in this phase. During this activity, on-line data will be reconciled against paper files, and IRMS and LRIS data files will be reconciled as necessary to reach data quality goals. For example, procedures will be developed to validate and reconcile the universe of leases and acreage under trust.

With the deployment of the core TAAMS functions, implemented using modern database management tools and data architecture, BIA will have an environment and support tools to complete the necessary data clean up requirements. The deployed TAAMS system will be an on-line relational database system where data is entered once and stored only once in the systems. The Post-deployment data clean up effort will be executed by local BIA staff supplemented by contractor support. The Post-Deployment data clean up task will be completed by the end of June, 2000.

3. BIA PROBATE BACKLOG

The objective of this Sub project is to eliminate the estate backlog.

The regulations contained in Title 43, Code of Federal Regulations, Part 4 (25 U.S.C. 372) require the BIA to provide family heirship data to the Administrative Law Judge (ALJ), OHA, within 90 days from the date of notification of the death of an individual owning trust or restricted land. In at least one case, Dull Knife v. Morton, U.S.D.C., South Dakota, 394 F. Supp. 1299 (1976), the Department was directed to probate Indian trust estates in conformity with existing law and regulations to avoid estate backlogs. However, resources have been insufficient to maintain compliance with governing statutes.

As a result, the BIA currently has 7,772 estates requiring probate processing. However, the 7,772 identified estates workload will be compounded due to deaths occurring during the process of probating these identified estates (i.e.,deaths of heirs/devisees within an estate being probated). It is estimated that subsequent deaths are approximately 20 percent of the identified estates, or an additional 1,540 estates, which will require probate action. Therefore, the BIA estimates that 9,312 estates will eventually be probated to resolve the identified 7,772 estates.

According to the LRIS, there are 331,049 individuals who own an interest in trust or restricted land administered by the BIA.

According to the 1996 preliminary figures obtained from the National Center for Health Statistics, the national death rate is 448 per 100,000 persons. Consequently, the BIA expects approximately 1,500 new deaths per year of individuals owning trust or restricted land or income. However, BIA believes the death rate among American Indians is slightly higher than the national average death rate because of environmental and health conditions associated with American Indians. On the average there are seven persons to inherit an interest in each estate. This means BIA can roughly expect to add an additional 10,500 new land interests to BIA records in 1998. This increase in the number of owners will only further complicate the ownership of trust or restricted land. Fractionated ownership is already taxing the ability of the Federal government to properly manage the trust resources, maintain up-to-date current ownership in BIA's LRIS, and to properly and accurately account for trust funds and make timely distribution of trust income to owners.

Rosemary Knoki, Division of Real Estate Services, BIA, is responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - BIA Probate Backlog			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [3]
Dollars in millions	.6	3.6	7.1

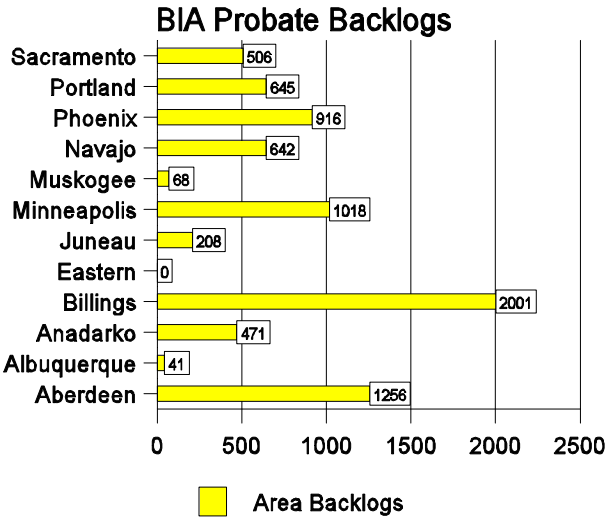
The particular tasks and milestones

[3] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

necessary to successfully complete this Sub project are outlined in the following.

A. Inventory Pending Probates.

As of February 24, 1997, the BIA has identified 7,772 estates nationwide requiring probate. Approximately 2,100 of the estates are trust income (cash) only estates referred to as summary distributions. Summary distributions are



performed by the Agency Superintendents, provided the income is less than $1,000, or there is no Last Will and Testament involved. A breakdown by Area Office of the Probate Backlog follows:

Area and Agency offices have compiled and submitted listings of estates needing probate. The data has been submitted to Central Office, BIA, for compilation into a nationwide report. The report will be completed by July, 1998.

B. Develop Probate Database.

DOI will develop under TAAMS an automated case management system to manage the flow of estate backlogs through BIA and the Office of Hearings and Appeals (OHA). It will enable management to determine the extent of the actual backlog and resources needed to eliminate the backlog within the project time frames, including projections on the growth of newly identified estates. Furthermore, it will provide information to OHA Administrative Law Judges (ALJ) regarding the workload flow. To complete this task, DOI must 1) identify a database system, 2) determine a process for entering and maintaining the database, and 3) establish reporting process to provide updated progress reports and information to BIA management and the OST for oversight of the TMIP. This task will be completed by December, 1998.

C. Prioritize and Implement Estate Backlog Reduction Effort.

Based on the analysis of the estate inventory by Area, BIA's Office of Trust Responsibilities (OTR) will prioritize the processing of the identified estates. Given the necessity to have specific knowledge of researching and preparing estates for probate action, BIA will focus on maximizing the use of existing staff (i.e., details) and hiring retired BIA real estate services employees, supplementing the BIA staff with new hires, details, temporary hires and contract services. If sufficient funding is provided, a "Probate Swat Team" approach will be used to attack the backlog to meet the final project deadline. Deployment of a "Probate Swat Team" could be implemented by October, 1998.

D. Request Probate Funding to Reduce Backlog and Process Current Estates.

Currently, there is only one dedicated source of funding for probate backlogs. Funds in the amount of $573,000 are appropriated to the BIA to hire temporary staff, provide overtime to agency probate staff or contract for staff support. This staff researches and compiles the data

necessary to probate pre-1991 estates, exclusively. This funding is sufficient to process approximately 300 estates annually. Staff funded under the Tribal Priority Allocation "Real Estates Services" line processes the remaining estates, however, these real estate services staff perform many other functions such as sales, leasing, land acquisition requests, etc. These collateral duties prevent focus on the probate backlog.

It is estimated that an average of 40 hours for one person is required to research and prepare one non-complex estate for submission to the ALJ to probate at a cost of approximately $1,500. The average cost can increase to as much as $2,000 per estate depending upon the complexity and age of the estate. Based on an average $1,750 per estate, the total estimated cost to process the probate backlog (9,312 in FY 1997) is approximately $16.3 million.

Base funding is needed to permanently staff BIA field offices with a minimum of one additional staff person to work on the current estates and assure that future backlogs do not occur. Current estimates that new estates are approximately 1,500 annually. Therefore, an additional $2.6 million is necessary for BIA staff to remain current on new estates. The scheduled completion date is January, 1999.

4. OHA PROBATE BACKLOG

The purpose of this Sub project is to assess workload associated with conducting hearings and rendering decisions in Indian probate matters; develop plans and procedures to process (a) existing caseload and (b) anticipated increased caseload so that the probate adjudication function can be completed in a timely rnanner.

It is essential the probate adjudication function within OHA be current so BIA has accurate and timely orders determining heirs or approving wills. This information is needed by both internal and external clients, including, for example, other divisions of BIA and tribal contractors. The failure of OHA to remain current in probate adjudication results in unreliable title information which can further result in delaying decisions concerning persons who are affected by such actions as leasing of trust property and distribution of income from that property.

Responsibility for probating Indian trust estates currently rests with the ALJs in the Hearings Division of OHA. 43 CFR §4.1 (a). Statutory authority to probate trust estates is implemented through regulations set out in 43 CFR §§4.200-4.308. The probate jurisdiction of the Department's ALJs does not include estates of members of the Five Civilized Tribes or Osage Will contests. Administratively, the ALJs report to the Deputy Director of OHA, but they are independent in terms of the scheduling and the substance of their decisions.

Probate decisions issued by the ALJs are subject to an administrative appeal to the Interior Board of Indian Appeals (Board) under 43 CFR §4.1 (b)(2)(ii). Procedural regulations governing probate appeals before the Board are found in 43 CFR §§4.310-4.323. The Board has original jurisdiction over appeals from decisions of the BIA Osage Agency Superintendent in Osage will contests. In addition, the Board hears appeals from decisions issued by BIA Area Directors in non-probate matters.

Backlogs occurring at any point in the probate adjudication process adversely affect the accuracy of title records and the proper distribution of funds derived from trust property. Successful completion of the major tasks outlined in this Sub project will allow OHA to become current in probate adjudication, thereby facilitating the TAAMS pilot efforts beginning in June, 1999.

Robert Baum, Director, Office of Hearings and Appeals, Office of the Secretary, is responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - OHA Probate Backlog			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [4]
Dollars in millions			5.6

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Analyze Existing OHA Caseload To

[4] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

Determine Reasons for Backlogs.

Between 1995-97, the Office of Hearings and Appeals (OHA), on average had a workload of 6,419 cases each year. (OHA defines "workload" as the total number of probate cases that result from combining cases that remain from a prior fiscal year with cases received during the current fiscal year.) During the period 1995-97, an average of 2,750 cases were received and 2,743 cases decided. So, during this period OHA received and decided the same number of cases each year with some exceptions. Based on the continued fractionation of heirship, it is inevitable that more probate cases will arise, and they will continue to get more complicated. Recently, the number of new cases received exceeds the number of decisions that most OHA field offices can reasonably issue given their resources and non-probate workload. OHA's current probate docket contains 1,440 cases which are more than 12 months old, an increase of over 700 from the previous year. Currently, percent of the pending probate cases are now over 18 months old.

The OHA backlog stems from inadequate resources to address the probate workload. In FY 1997, the number of ALJs at OHA declined from 12 to 9. This 25 percent reduction, without any increase in other personnel, led to a sharp decline in the rate of processing probate cases. ALJs are responsible also for handling non-probate cases, and in some field offices, up to 40 percent of an offices resources are utilized on non-probate cases, although the ALJs are giving probate cases the appropriate priority and attention consistent with available resources. Moreover, due to current budget constraints on travel, OHA defers visiting a site until numerous cases accumulate.

Even with increased funding, some probate cases would not be disposed of within one year. While there are many easy cases which are disposed of in less than a year, others present more complex issues, often factual, not legal, which can take more than 18 months to resolve. Also, it would be wasteful in some cases to attempt to have all cases heard by an ALJ within a year. For example, it is not cost effective to send a judge to a remote area, often involving three days of travel, merely to hear one case. However, we will be developing options for getting remote area cases resolved within a one year period. Scheduled completion date is January 1999.

B. Coordinate With BIA To Develop Probate Estimates and Time Frames.

The BIA has identified approximately 7,800 estates needing probate, 2,140 of this number consisting of cash only estates. Combining this number of estates with deaths occurring during the probate, BIA estimates it will have a backlog of about 9,300 estates. In addition, based on national average death rates, BIA projects approximately 1,500 new deaths per year of individuals owning trust or restricted land or income. Based on BIA planning figures, BIA estimates the following probate workflow being directed to OHA: in FY 1998 - 2,800 cases; in FY 1999 - 4,514 cases; and in FY 2000 - 6,514 cases. This would more than double the annual number of cases received by OHA. The OHA will continue to coordinate with BIA to define the timing of receipt of the additional cases in FYs 1999-2001.

C. Determine The Most Effective Use of Resources.

To eliminate all probate cases on OHAs current docket which have been pending more than 12 months and also reduce the average processing time for substantially all new probate cases to 12 months, OHA will explore alternative approaches to probating

cases and will use additional funding to hire permanent and temporary administrative law judges, attorney advisors, paralegal specialists, legal clerks and automation clerks. OHA estimates that the new ALJs would be able to render approximately 325 cases per year. Generally, a minimum of three support staff is needed for each ALJ to render timely decisions. Because the nature of processing probate cases is highly paper/copy/mailing intensive, field offices will be equipped with additional office equipment (computers, printers) and office supplies. With additional travel funds, OHA field offices will also conduct more frequent hearings and convene special dockets for rehearings of heard/undecided/reassigned cases.

OHA would fill the temporary ALJ positions by hiring retired OHA and other Federal agency ALJs. We will also enter into discussions with other Federal agencies for a loan arrangement to recruit additional ALJs on a temporary basis. If ALJs on the OPM register can be recruited, OHA will also seek to fill the positions from this source. This will be an on-going task for OHA.

D. Initiate Adopted Processes To Prevent Lengthy Delays in Issuing Probate Decisions

OHA will implement a two pronged approach to addressing the probate backlog: (1) eliminate the backlog of currently filed cases and seek to decide substantially all new cases within 12 months; and (2) prevent a backlog from developing from the receipt of 7,700 anticipated probate cases. A joint BIA, OHA and Solicitor team will develop alternatives, including appropriate legislation, regulatory, or policy change recommendations that could result in a reduction of the OHA probate workloads and reduced time frames for probating estates in remote areas. Potential alternatives include increasing the jurisdictional authority of BIA Area Directors and contracting with Tribal Courts to carry out certain functions. The scheduled completion date of this Sub project is March, 1999.

E. Establish a Tracking System for DOI Probate Case Loads.

As discussed above under the BIA Probate Backlog Sub project, DOI will develop under TAAMS an automated case management system to manage the flow of estate backlogs through BIA and the Office of Hearings and Appeals. OHA will coordinate with BIA and DOI to develop a system for identifying new case loads as they occur from BIA. This information will be shared in status reports for the Secretary's Steering Committee. The scheduled completion date is September 1998.

5. BIA APPRAISAL PROGRAM

The goal of this Sub project is to ensure compliance with universal appraisal standards and to eliminate appraisal backlogs.

Appraisals are provided to assure Indian tribes and individuals owning trust or restricted land receive fair market value from their trust resource transactions. These transactions include, but are not limited to, leases, rights of way, land sales, timber sales, grazing and range permits, etc. The regulations governing the processing of trust resource transactions require the Secretary to ensure that fair market value is obtained for the Indian owners. To accomplish this regulatory requirement, the BIA performs an appraisal for each transaction processed.

Larry Scrivner, Chief, Division of Real Estate Services, Office of Trust Responsibilities, BIA, is responsible for completing this Sub project.

The estimated Project Budget for this effort is depicted in the following table. (It should be noted that within BIA's base funding for Tribal Priority Allocations, $3.4 million is included for real estate appraisals in FYS 1997, 1998, and 1999, and a like amount is assumed to be additive to these Sub project estimates.)

PROJECT BUDGET - BIA Appraisal Program			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [5]
Dollars in millions		3.4	9.5

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Determine and Ensure Certification Qualifications of BIA Appraisers.

On May 16, 1991, the Director of Trust and Economic Development issued a directive to the Area Offices requiring certification of all Area Chief Review Appraisers in accordance with Title XI of the 1989 Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), and to assure appraisals were completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Twenty-eight of the 47 appraisers, including all Area Chief Review Appraisers, were certified in accordance with FIRREA. All of the appraisers in the Anadarko, Minneapolis, Muskogee, and Navajo Areas Offices are certified. The remaining 19 appraisers are receiving training and completing required non-classroom work to achieve certification.

B. Development of a Real Estate Appraisal Handbook.

To ensure compliance with current appraisal standards and to streamline appraisal processing, a Real Estate Appraisal Handbook will be developed to replace the 1970 edition of 52 BIAM, Supplement 1, Real Estate Appraisal Handbook, which

[5] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

considers FIRREA and USPAP requirements, as well as modernizing the procedures and setting

format and preparation standards for appraisals.

In July 1997, the Deputy Commissioner of Indian Affairs appointed three Area Chief Review Appraisers (Appraisal Handbook Committee) with the responsibility for coordinating the development of the appraisal handbook. The comment period on a draft expired March 15, 1998. Comments have been compiled and furnished to the Committee for review and determination for incorporation into the final draft. In July, 1998, the Committee will submit a final draft to BIA management for review, approval and issuance. This task will be completed by September, 1998.

C. Develop and Maintain Database for Tracking Appraisals.

Tracking and identifying the appraisal backlog is on-going. In December, 1997 an informal poll was conducted of Area Office appraisal staff to determine the average time to complete a full appraisal, average appraisal cost, and number of appraisals completed in 1997. Among the 11 Area Offices that responded, the amount of time to complete an appraisal varied greatly from 30 days to 8 months, depending upon the type of appraisal. Similarly, the cost to complete appraisals varied greatly, however the average was approximately $1,000 for a full, non-complex non-commercial appraisal. The Areas reported approximately 7,000 appraisals were completed during 1997. However, it is important to point out that one Area Office approved 1,000 pipeline rights of way and only counted the appraisal report as one request since it affected only one right of way applicant.

Central Office has formally requested statistics from the Area Offices to determine the number of pending appraisal requests and length of time the request is in the queue waiting completion of an appraisal. An analysis of the data received from the Area Offices will determine the extent of the backlog, number and time frame delay by Area Office. This assessment will provide BIA with information as to when a majority of the appraisals are needed (i.e., prior to the leasing season, types of trust resource transactions needing appraisals, etc.). It will also provide BIA management with the capability to more effectively utilize the existing appraisal resources (funding and staffing); support requests for additional funding; establish uniform workload tracking systems and reporting requirements to ensure that all appraisals required by regulation and statute are completed prior to approval of transactions. A compilation and analysis of pending appraisal requests is expected to be completed by July, 1998. Software to permit Bureau-wide tracking will be included in the TAAMS requirement.

D. Evaluate and Survey Fair Market Value Appraisal Requirements.

The Office of Trust Responsibilities is presently in the process of updating and revising its core guidance documents which provide direction to the field offices in their processing of trust resource transactions. A portion of this effort includes converting from the current Bureau of Indian Affairs Manual (BIAM) to the Indian Affairs Manual (IAM). After completion of the development and issuance of the IAM, OTR will be preparing and issuing handbooks either through development, revision or acceptance of existing guidance which will establish the standards to be used to process trust resource transactions. It is anticipated that OTR will finalize its standards for processing trust resource transactions by September, 1999.

In concert with the development of the IAM

and handbooks, OTR will review its statutory and regulatory authorities with legal assistance provided by the Office of the Solicitor to determine the legal requirements for completion of appraisals based on the regulations, statutes and various court rulings regarding the responsibility of the Secretary of the Interior to assure that Indian tribes and owners receive the maximum economic return from the Indian lands. Additionally, surveys will be conducted of the BIA field offices to determine overall workload and budgetary scope in order to assure timely completion of the appraisals for trust resource transactions. This initial survey will be completed by November, 1998.

E. Hire Bureau-wide Chief Appraiser.

Currently the appraisal program is handled as a collateral responsibility by the Division Chief of Real Estate Services. In FY 1999, the BIA will recruit for a Chief Appraiser to oversee the Bureau-wide appraisal program. One of the Chief Appraiser's primary responsibilities will be to ensure Bureau-wide compliance with the Handbook, as well as monitoring appraisal staff certification progress.

The principal purpose of the Office of the Chief Appraiser is to develop, monitor, and conduct program reviews to ensure that the BIA Appraisal Program is in compliance with USPAP requirements, including necessary independent function controls to appraisal practices and activities. Accordingly, USPAP characterizes an independent appraisal function as:

- allowing adequate time to the appraiser to conduct the research, investigation and analysis necessary to prepare a report;
- insuring that the appraiser has adequate resources to conduct the necessary research, investigation, and analysis; and
- ensuring the appraiser is independent from those engaged in the transaction or situation being appraised.

This task will be completed by September, 1999.

F. Increase Funding for Appraisal Program to Address Backlog.

The shortage of funding to hire or contract for appraisal services has led to appraisal delays which result in delays in transaction approvals. Currently Area Office funding for appraisals is derived from the Tribal Priority Allocations ($3.4 million) which supports the hiring of only 43 appraisers.

The BIA will assess the possibility of requiring large commercial entities who conduct business on Indian lands to furnish contract fee appraisals prepared in accordance with USPAP to BIA for review and approval. This requirement could reduce the overall appraisal workload that is time consuming and costly. This task will be completed by September, 2000.

6. TRUST FUNDS ACCOUNTING SYSTEM (TFAS)

A new IIM accounting system is critically needed and long overdue. The OST, in coordination with the Department's Chief Information Officer (CIO) and the Office of Information Resources Management, is to acquire and install a Trust Funds Accounting System (also referred to as the IIM Accounting System) module, suitable for both Tribal and IIM accounts. Work underway to reduce or eliminate accounts is to continue. The Trust Funds Accounting System will provide the basic collection, accounting, investment, disbursing, and reporting functions as is common to commercial trust funds management operations. The system selected will be commercially operated and maintained. The implementation approach will use procurement and piloting protocols appropriate to a proven, commercially-leased, centrally-operated and maintained off-the-shelf standard trust accounting system served by trust data generated nationally from over 135 field locations. Following appropriate data clean up, successful implementation and piloting, the Trust Funds Accounting System module will extend to both Tribal and IIM accounts nationally. Conversion of approximately 300,000 accounts on the current IIM system will occur over a three year period. Conversion will use both internal and contractor support. The conversion plan developed with the contractor will determine the budget and personnel needs.

The work of this Sub project will occur at OTFM in Albuquerque and the BIA Area and Agency Offices nationally.

Dianne Moran, Trust Operations Officer, OTFM, OST, is responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - TFAS			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [6]
Dollars in millions	8.6	9.7	14.9

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Obtain DOI and CIO Approval for the System and Approach.

The OST/OTFM staff prepared and submitted to the Department a Technology Investment Analysis (TIA) to justify the proposed trust system and acquisition approach. In line with Federal and Congressional guidance on acquisition of Information Technology, the OST plan called for a commercial off-the-shelf trust fund accounting system provided through a service bureau approach, consistent with the Special Trustee's Strategic Plan. Following a November 1997 presentation to the Departmental Information Resources Management Council, the CIO issued the formal Departmental approval for acquisition of the new Trust Funds Accounting System on November 23, 1997.

B. Develop and Submit a Request for Proposal (RFP) and Statement of Work.

[6] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

The OST, in coordination with representatives of the BIA Procurement Office, the CIO, and the Department's Acquisition and Property Management Office, developed a performance based RFP during the period April - December 1997. The RFP called for a service provider to furnish the services of a commercial off the shelf (COTS) trust accounting package able to manage 350,000 individual Indian and 1,700 tribal accounts. The contractor would operate, maintain and support the COTS product, work with governmental team to map existing data and processes to COTS package format using a test Pilot Site, train OST personnel on new system and work with an OTFM governmental team to prepare the COTS package to accept interfaces from OST/BIA/MMS subsystems. This task was completed on December 30, 1997.

C. Select Pilot Site From Among BIA Area Offices.

A decision was made to pilot and test the new Trust Funds Accounting System initially at one or more BIA and OTFM Area Office locations before the system is rolled out to all IIM and Tribal accounts across all BIA and OTFM locations. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, considering the following:

- Whether the Area was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting, and income types;
- Information about the status of previous or on-going records clean up efforts in the areas of trust management records, BIA trust asset and land title records; and Hearings and Appeal probate backlogs;
- The general receptivity of Area Management and Indian representatives;
- Staff knowledge in terms of automation, policies and procedures, trust management, etc.;
- Logistical considerations such as telecommunications, geographic, and costs.

This task was completed on November 13, 1997, with a decision to use the Phoenix Area for the pilot site by the Secretary's Trust Improvement Steering Committee.

D. Publish RFP for TFAS.

Following the successful development of the Statement of Work and RFP described in B, above, the RFP was released on January 5, 1998, with a call for responses by February 5, 1998.

E. Receive and Evaluate Proposals.

Written proposals, limited to 200 pages, were received February 5, 1998. The solicitation also called for oral presentations, and for Operational Capability Demonstrations by selected proposers, providing evidence that the proposed system could handle a minimum of 150,000 accounts. A technical evaluation team evaluated the proposals against established criteria, using a pre-determined Source Solicitation Plan. Evaluation work was completed in early March, and the Contracting Officer proceeded to final negotiations. This work concluded March 26, 1998.

F. Award TFAS Contract.

The Contracting Officer awarded the contract for the new Trust Funds Accounting System to SEI Investments of Oaks, Pennsylvania, a major industry provider of trust management systems to the commercial sector, on March 26, 1998.

G. Complete OST Data Clean Up for Phoenix Area.

Processing of OST's Phoenix Area financial records commenced on January 5, 1998,

and was completed on March 29, 1998, by the data clean up contractor, DataCom Sciences, Inc. Over 33,000 IIM file jackets, supporting an equal number of accounts, were processed, examined, and verified by the contractor. IIM systems data was validated and/or corrected under strict quality control standards. The Phoenix Area IIM accounts are maintained in readiness for the Trust Funds Accounting System conversion in August, 1998.

H. Select and Train Conversion and Implementation Team.

OTFM's Trust conversion team are leading the conversion/implementation effort. They will be assisted by a staff of five personnel recruited for the effort, and supplemented by permanent staff from operational and systems support elements within OTFM. The OTFM conversion/implementation staff will work on a daily basis with SEI Investment's professional conversion team in Albuquerque, New Mexico, and in Phoenix, Arizona, the pilot site. The initial conversion/implementation team planning session occurred during the week of April 13 - 20, 1998. During this session, firm conversion dates for each BIA Area were established and, based on contractor advice, the decision to add two additional small areas to enable testing of inter-Area processes was made.

I. Acquire External Professional Consulting Services to Assist in Implementation.

OST will use the services of external consultant services during the conversion and implementation effort to provide third party oversight and advice regarding the effort. A tentative decision that consulting services are not needed at this point in the project was made May 31, 1998, although the situation will be continuously evaluated to determine future need.

J. Develop and Implement Conversion Strategy.

Conversion teams from OTFM and SEI Investments will work together to develop a comprehensive conversion strategy, using SEI Investments proven models from previous conversion efforts in the commercial sector, coupled with OTFM's experience gained in the conversion of Tribal accounts in 1995. Using the clean up data from Phoenix, Sacramento and Juneau Areas covering approximately 39,000 IIM accounts, the teams will map data needed to populate the SEI trust funds accounting application and develop automated routines for data conversion. The conversion strategy includes two "mock" conversions as test beds before final conversion in August 1998. Completion of conversion planning was completed June 23, 1998, and execution of the strategy is scheduled for July 31, 1998.

K. Train Support and User Personnel.

Training on the new Trust Funds Accounting System will be completed for both the users and the OST support personnel, a total of 105 personnel. Of this number, five OTFM personnel are designated and will perform as "train the trainers" staff, continuing with a training mission. This cadre will schedule and deliver training to new users throughout the conversion in other sites. User training will be scheduled and completed approximately one month prior to implementation of the new Trust Funds Accounting System to each Area, in a "just in time" approach to ensure user retention of the training information and skills. An extensive help desk will be provided by SEI Investments to aid in the conversion and training effort. The training of Phoenix, Sacramento, and Juneau Areas, and OTFM staff is scheduled for completion by August, 1998.

L. Reconcile and Convert Data.

In conjunction with the Conversion Strategy and execution described in K above, IIM account data that will be converted to the new Trust Funds Accounting System will be reconciled, and then converted in a deliberate, controlled environment to assure high quality data. This effort is scheduled for completion by August, 1998.

M. Acquire and Distribute End User Work Stations to Field.

The existing inventory of hardware and software, though of better quality, and in greater numbers, than previously anticipated, still requires that new hardware and software be purchased, and old hardware and software be updated, for the users to be efficient and capable of performing their work. The workstation equipment planned for use will be a combination of existing equipment available, upgraded to specification and new equipment to be purchased. For the TFAS, TAAMS and LRIS applications, a total of approximately 2,000 user workstations is required, one half new purchases and one half upgraded.

The 1,000 new workstations purchased will average approximately $4,000 per unit. The 1,000 existing workstations to be upgraded will average approximately $2,000 per unit. The configuration for these workstations include user software (word processing, spreadsheet, data base, presentation, e-mail, etc.) and software required to communicate with both Local Area Networks and Wide Area Networks. It also covers the hardware required for local use, printers, communications, security, and user documentation, installation, and on-going maintenance costs. A Help Desk, organized by application discipline (i.e., TFAS, TAAMS, LRIS) will be established to provide on-going technical and application support for Tribal, OST and BIA system users via a 1-800 telephone number.

N. Initiate and Pilot New Trust Funds Accounting System.

Conversion of the Phoenix, Sacramento, and Juneau Area Pilot sites to the new Trust Funds Accounting System is on schedule for August 1998. Specifically, Phoenix, Sacramento, and Juneau Areas conversion will occur on August 29 - 31, allowing a month-end, weekend conversion. This approach promotes the easier interface with SEI Investments and DOI support systems, and allows the maximum of time for conversion, testing, and last minute data clean up.

O. Convert Tribal Accounts and the IIM Pool to New Trust Funds Accounting System.

The approximately 1,700 Tribal Accounts presently residing on the OMNITRUST trust accounting system, plus the “IIM Investment Pool”, are scheduled for conversion to the new Trust Funds Accounting System operated by SEI Investments on February 28, 1999.

P. Complete Data Clean Up for Remaining Conversion Sites.

The OST contractor, DataCom Sciences, Inc., is scheduled and is on track to complete the clean up of trust financial documents contained in the IIM jacket files by June, 1999. The contractor will clean the data first and then convert it in coordination with the clean up schedule. All data used to populate the new system is reconciled with the existing data. This effort is scheduled for completion by June, 1999.

Q. Following Successful Pilot, Roll Out TFAS to Remaining Sites.

The new Trust Funds Accounting System will roll out to the remaining OTFM and BIA sites at a rate of approximately 50,000 IIM accounts per quarter. The current schedule provides for a roll out in line with the conversion schedule on the following page.

TFAS ROLL OUT SCHEDULE

BIA AREA	PERIOD	YEAR
Phoenix	March - August	1998
Juneau	August	1998
Sacramento	August	1998
Albuquerque	November - December	1998
Navajo	November - December	1998
Anadarko	February - May	1999
Muskogee	February - May	1999
Eastern	February - May	1999
Billings	February - May	1999
Minneapolis	February - May	1999
Aberdeen	August - October	1999
OMNITrust	January - February	1999
Portland	June - July	1999
Stabilizing and Adjustment	November - December	1999

7. TRUST ASSET AND ACCOUNTING MANAGEMENT SYSTEM

The basic tools available to the DOI to manage Indian trust assets must be upgraded and proven commercial sources for many of these basic trust functions are readily available as automated applications. The OST, in coordination with the Department's CIO and Information Resource Office, and the heads of the BIA, BLM and MMS, will acquire and test/pilot, standardized, commercial off-the-shelf general trust asset management system technology. Incorporating the Trust Funds Accounting System described herein above, this trust management system will comprise a comprehensive Trust Asset and Accounting Management System (TAAMS). The TAAMS system will include an asset management system, with a master lease subsystem, a billing and accounting receivable subsystem, and a collection subsystem. A pilot site will be developed and the pilot site's data will be cleaned and converted. Conversion will use both internal and contractor support. Identification of the budget and personnel needs to accomplish this will occur when the conversion plan is developed with the contractor. The approach will use procurement and piloting protocols appropriate to a proven, commercially leased, operated, and maintained off-the-shelf standard trust asset management system, as served by trust data generated nationally from over 135 field locations. The system selected will be commercially operated and maintained. Prior to the decision to extend the system nationally, the system selected will be installed, tested and piloted successfully at the Billings Area. The supporting land title and records systems, such as BIA's LRIS system and MMS's royalty collection systems will also be upgraded as appropriate.

The work of this Sub project will occur at BIA Area and Agency Offices and OST field Offices nationally.

Charissa Smith, Office of Information Resource Management, DOI, is responsible for coordinating this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - TAAMS			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [7]
Dollars in millions		6.4	6.3

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Select Pilot Site.

A decision was made to pilot and test the new Trust Asset and Accounting Management System (TAAMS) initially at one or more BIA Area Office locations before the system is installed at all BIA and OST locations. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, considering the following:

C Whether the Area was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting, and income types;

[7] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

C Information about the status of previous or on-going records clean up efforts in the areas of trust management records, BIA trust asset and land title records; and Hearings and Appeal probate backlogs;

C The general receptivity of Area Management and Indian representatives;

C Staff knowledge in terms of automation, policies and procedures, trust management, etc.;

C Logistical considerations such as telecommunications, geographic, and costs.

This task was completed on November 13, 1997, with a decision to use the Billings Area for the pilot site by the Secretary's Trust Improvement Steering Committee.

B. Acquire External Professional Consulting Services.

The BIA has awarded a contract and task Order to Mitretek to provide expert systems consulting services. Mitretek will assist in the development and implementation of TAAMS. Further, OST has developed a Memorandum of Agreement with the Department's Office of Information Resource Management to acquire services of a part time Computer Systems Specialist. OST will acquire other external consulting services as needed to assist in the project.

C. Assemble Senior BIA and OST Management Team to Develop Requirements.

During the week of April 20 - 24, 1998, a group of senior BIA and OST managers and representatives of BIA's trust resource operations, the CIO, BLM, MMS and servicing procurement officials assembled in Albuquerque, New Mexico. The purpose of the session was to outline and document, at a high level, the TAAMS functional requirements. The product of this session was then handed off to a technical group of information technology specialists and trust resource managers. This task was completed by April 24, 1998.

D. Organize Joint Technical Team to Develop Detailed Specifications and RFI.

The high level functional requirements developed in the preceding task was handed off to a joint technical team of information technology specialists and trust resource managers appointed from BIA, OST and other trust Bureaus and Offices. This team elaborated on and detailed the high level requirements definition; evaluated commercial off-the-shelf application and prepared a preliminary systems design; develop acquisition documentation and obtain Departmental approval; and, acquire TAAMS. This task is scheduled for completion on August, 1998.

E. Obtain DOI Approval (TIA/IRMC) for System and Approach.

The joint BIA/OST staff will prepare and submit to the Department a Technology Investment Analysis (TIA) to justify the proposed TAAMS system and acquisition approach. In line with Federal and Congressional guidance on acquisition of Information Technology and Secretarial guidance, commercial off-the-shelf trust management systems will be evaluated and proposed, if practicable. A service bureau approach will also be preferred, consistent with Congressional, OMB and Secretarial guidance. This task is scheduled for completion by August, 1998.

F. Prepare and Publish Request for Information (RFI) for COTS Systems.

Working with the servicing procurement office, the joint BIA/OST team and the systems consultant will prepare and publish a formal RFI for applicable commercial off-the-shelf applications thought to meet the functional requirements defined in preceding tasks. This task was completed on June 19, 1998.

G. Develop RFP Using Joint BIA/OST Technical Team and Systems Consultant.

Using the results of internal research, review of existing automated national and local systems within BIA, and feedback from the RFI, the joint BIA/OST team and the system consultant will prepare the necessary procurement document and supplemental justification for the TAAMS system acquisition. This task is scheduled for completion by August, 1998.

H. Award Contract to Successful Bidder.

A performance based contract to the successful offerer by the BIA by October 31, 1998.

I. Select and Train Joint Conversion and Implementation Team.

A joint BIA/OST conversion and implementation team will be organized to deal with TAAMS systems implementation. Team composition is likely to include information technology specialists from BIA and OST, and trust resource managers from BIA. Some roll over from the design is expected and the acquisition team identified this in preceding tasks for TAAMS. This task is scheduled for completion by November, 1998.

J. Develop and Implement Conversion Strategy in Coordination With Contractor.

The joint conversion/implementation team from BIA and OST will work together with the selected TAAMS provider to develop a comprehensive conversion strategy, using proven models from previous conversion efforts in the commercial sector, and customization of the COTS software, as required. Using the clean up data from Billings Area, the teams will map data needed to populate the selected provider's trust asset management application and develop automated routines for data conversion. The conversion strategy includes "mock" conversions as test beds before final conversion in June, 1999. Completion of conversion planning, and execution thereof is scheduled for May, 1999.

K. Develop and Implement Pilot Test Protocols to Determine Success.

Jointly, BIA and OST will evaluate and document the success factors for a critical success of the TAAMS system Pilot in the Billings Area. Coordination of the plan with the Department's information technology staff is planned. This effort is scheduled for completion by May, 1999.

L. Complete Re-Implementation Data Clean Up of Billings Area.

Work under BIA's pre-implementation Data Clean Up Sub project is expected to be completed on time for the planned June, 1999 pilot of TAAMS in the Billings Area Office. The data referred to here is under the control of BIA. It includes, principally, ownership and lease data, but may also include further LRIS and probate data. BIA must complete the clean up of the Billings Area data by April, 1999.

M. Acquire and Distribute End User Work Stations to Field.

An analysis of the existing inventory of hardware and software will require that new

hardware and software be purchased or updated, for the users to be efficient and capable of performing their work. The workstation equipment planned for use will be a combination of existing equipment available, upgraded to specification and new equipment to be purchased. For the TFAS, TAAMS and LRIS applications, a total of approximately 2,000 user workstations is required, one half new purchases and one half upgraded.

The 1,000 new workstations purchased will average approximately $4,000 per unit. The 1,000 existing workstations to be upgraded will average approximately $2,000 per unit. The configuration for these workstations will include user software (word processing, spreadsheet, data base, presentation, e-mail, etc.), and the software required to communicate with both Local Area Networks and Wide Area Networks. It also covers the hardware required for local use, printers, communications, security, and user documentation, installation, and on-going maintenance costs. A Help Desk, organized by application discipline (i.e., TFAS, TAAMS, LRIS) will be established to provide on-going technical and application support for Tribal, OST and BIA system users via a 1-800 telephone number.

N. Complete Training of Support and User Personnel.

Training on the new Trust Asset and Accounting Management System is expected to include both BIA and OST users and designated support personnel. Designated personnel perform as "train the trainers" staff, continuing with a training mission. This cadre will schedule and deliver training to new users throughout the conversion in other sites. User training is scheduled for completion approximately one month prior to implementation of the new Trust Asset and Accounting Management System to each Area, in a "just in time" approach to ensure user retention of the training information and skills. The provider will be tasked with staffing an extensive help desk to aid in the conversion and training effort. Training of the Billings Area and the OST staff is scheduled for completion by May, 1999.

O. Initiate TAAMS Pilot at BIA's Billings Area Office.

The TAAMS pilot is expected to start and run at the BIA's Billings Area Office beginning in June, 1999.

P. Perform and Complete Validation of Pilot per Test Protocols.

The Billings Area Pilot is measured against pre-established pilot protocols that will objectively measure the success of the new TAAMS system against numerous standards. A report will be prepared as the basis for roll out of TAAMS to other BIA Areas and OST locations. This task is scheduled for completion by August, 1999.

Q. Commence and Complete Conversion to TAAMS at Rate of One BIA Area Per Month.

In line with the schedule on the following page, TAAMS will roll out to the balance of BIA Areas and OST locations by June, 2000. It is contemplated that multiple BIA Areas will be converted to TAAMS at various points in the conversion schedule, based on the number of leases administered by the respective Areas.

TAAMS CONVERSION SCHEDULE

BIA AREA	PERIOD	YEAR
Billings	June - August	1999
Anadarko	September - October	1999

Juneau	September -October	1999
Aberdeen	November - December	1999
Albuquerque	January - February	2000
Navajo	January - February	2000
Muskogee	January - February	2000
Eastern	March	2000
Minneapolis	April - May	2000
Phoenix	April - May	2000
Portland	June - July	2000
Sacramento	June - July	2000
Stabilizing and Adjustment	July - September	2000

8. LRIS ENHANCEMENTS

This Sub project will replace current title management systems with capabilities that interface with the new Trust Asset and Accounting Management System (TAAMS), providing an integrated data base capability and eliminating redundant entry of resource management data which reduces the possibility of entering new data errors.

Over the last several years, BIA has undertaken several efforts to evaluate updating or replacing the current LRIS system. The most recent effort has produced the LRIS Modernization Decision Document (March 31, 1998) based on a study performed by TRW and by Lockheed Martin for FEDSIM. This document recommends replacement of the existing system with modern software, based on providing an overall cost savings due to improved operational efficiency. BIA and Mitretek have reviewed this study and concluded it should follow the recommendations given, but the new system should not develop fully independent of the new Trust Asset and Accounting Management System (TAAMS). Instead, LRIS should develop in coordination with and interfaced to the TAAMS system, with its design, development, and deployment part of a coordinated effort with the TAAMS Sub project.

The decision to replace the LRIS system with modern software as part of an integrated data base system with TAAMS is based on the following:

C The current LRIS system does not efficiently support BIA processes and is partly responsible for bottlenecks and backlogs related to title information;

C Significant problems are caused by the lack of integration of the current LRIS and IRMS systems (TAAMS is the replacement for IRMS). For example, ownership and lease information must be entered manually in both systems as separate efforts;

C There is significant duplication of data between these two systems without any capability to transfer or synchronize data automatically. As a result, the data is inconsistent between the two systems and there is no efficient way at present to resolve these inconsistencies;

C The LRIS system is based on obsolete technology that is very costly to enhance or repair.

To effectively interface with TAAMS, LRIS and TAAMS will feature an integrated database design and shared implementation strategy. LRIS and TAAMS will use a seamless architecture, interface and software design. Title management functions, including unity validations on fractionated multiple tracts of land will be supported in an integrated database with TAAMS. The requirements, design, and system architecture of TAAMS and LRIS will be developed jointly and the actual development and deployment of TAAMS and LRIS will be executed on the same schedule. TAAMS will access ownership and leasing management information from the new integrated data base and will provide appropriate controlled access to the separate title office and agency information data base. An automated chain of title functionality will be pursued.

TAAMS will support an integrated database design and thus a shared implementation strategy is preferred. LRIS software should be compatible with TAAMS in terms of architecture and user interface. TAAMS will support an interface to the title management capabilities provided by LRIS. To keep the costs of these new systems lower, it is important that the functions of

the LRIS and TAAMS components be clearly identified, ensuring that they are properly allocated between the two components, with no overlaps or gaps. The requirements, design, and system architecture of TAAMS and LRIS will be developed jointly and support an efficient interface. The actual development and deployment of TAAMS and LRIS will be executed on the same schedule. The new integrated TAAMS system will replace the current functionality of IRMS. TAAMS will access or integrate ownership and leasing management information and will provide appropriate controlled access to this information to separate title office and agency functionality.

The LRIS project will:

- C Develop replacement systems for current LRIS functions;
- C Provide additional functionality to support an integrated and automated process. LRIS will develop using a modular, or incremental fashion. The first increment will provide basic functionality for title recording and any ownership and encumbrance functionality not covered by TAAMS. Subsequent increments may add functionality based on user needs and experience;
- C Convert legacy data for use in LRIS;
- C Prepare BIA users for operating LRIS by providing an operational concept and training;
- C Upgrade the BIA infrastructure (networks, servers, and desktops) as necessary to support LRIS requirements;
- C An improved LRIS will support data clean up efforts in three ways: improved operational efficiency to help eliminate backlogs, automated data integrity checking incorporated into normal data entry transactions to avoid future input errors, and reporting capabilities that allow BIA to monitor and improve data quality;
- C Migration to LRIS will not unduly impact ongoing services.

Charissa Smith, Office of Information Resources Management, DOI, is responsible for completing this Sub project. This task will be primarily accomplished in Washington, D.C., with regular working meetings at locations chosen by the team.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - LRIS Enhancements			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [8]
Dollars in millions		4.2	5.7

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Develop LRIS Requirements and Detailed Plan.

A joint TAAMS/LRIS planning team will develop high-level requirements and a detailed implementation plan for LRIS in coordination with the overall TAAMS effort. The team will develop an overall concept for the project and goals. High level requirements will be specified, including a data and functional architecture for the TAAMS system. Functions will be allocated to project components for implementation. An operational concept will be developed identifying when, where, and by whom these functions will be performed. Functions will be allocated to increments, providing an overall implementation plan. A core set of functionality will be identified that will form the basis of the initial capability, Increment 1. Off-the-shelf products and existing DOI systems will be evaluated to determine whether they can provide all or part of LRIS capabilities. A detailed implementation plan will result from

[8] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

this analysis. The scheduled completion date August, 1998.

B. Obtain DOI Approval (TIA/IRMC) for System and Approach.

The joint BIA/OST staff will prepare and submit to the Department a Technology Investment Analysis (TIA) to justify the proposed seamless system acquisition approach for LRIS/TAAMS. In accordance with Federal and Congressional guidance on acquisition of Information Technology and Secretarial guidance, commercial off-the-shelf trust management systems will be evaluated and proposed, if practicable. A service bureau operator will also be considered, consistent with the OMB guidance and the Secretary's decision memorandum. This task is scheduled for completion by August, 1998.

C. Obtain Off-the-Shelf Systems and/or Contractor Support.

An RFP will be developed to procure any off-the-shelf systems or contractor support identified during project planning. Proposals will be evaluated and awarded. The scheduled completion date for the RFP is early August, 1998, and for contract award by October, 1998.

D. Develop LRIS Initial Core Capability.

The development of LRIS initial capability is likely to include a combination of off-the-shelf and some limited custom capabilities. Development of the initial core capability, therefore, is likely to require both configuration of off-the-shelf software and the development of custom components, using modern and effective software methodologies and tools. Any custom programming will include the development of detailed requirements, software development, and functional testing. Acceptance testing should occur as part of the TAAMS Pilot Site deployment. Development of a detailed schedule for this task will occur later and depends on the implementation approach selected. Completion of all development and functional testing activities is planned for June, 1999, to coincide with the TAAMS schedule.

E. Plan BIA Infrastructure Upgrades to Support LRIS.

It is likely LRIS will require more robust client/server support than current systems. The success of LRIS depends on an adequate network, server and desktop capability throughout the BIA. A technical team will identify infrastructure impacts from LRIS. Capacity models will be developed and validated by testing and/or prototyping as necessary. Requirements for upgrades will be developed and any necessary procurement activities will be performed by April, 1999.

F. Deploy Infrastructure Upgrades.

Phased infrastructure upgrades will deploy in concert with software deployment shortly before a site becomes operational. Upgrade deployment will approximate a schedule to coincide with the TAAMS and LRIS deployment schedule, with upgrades completing before deployment of the software applications. Pilot site deployment is scheduled for completion in mid-May, 1999. As discussed in the TFAS and TAAMS Sub projects above, the existing inventory of hardware and software requires that new hardware and software be purchased, and old hardware and software be updated, for the users to be efficient and capable of performing their work. The workstation equipment planned for use will be a combination of existing equipment available, upgraded to specification, and new equipment to be purchased. For the TFAS, TAAMS and LRIS applications, a total of approximately

2,000 user workstations is required, one half new purchases and one half upgraded.

The 1,000 new workstations purchased will average approximately $4,000 per unit. The 1,000 existing workstations to be upgraded will average approximately $2,000 per unit.

The configuration for these workstations will include user software (word processing, spreadsheet, data base, presentation, e-mail, etc.) and the software required to communicate with both Local Area Networks and Wide Area Networks. It also covers the hardware required for local use, printers, communications, security, and user documentation, installation, and on-going maintenance costs. A Help Desk, organized by application discipline (i.e., TFAS, TAAMS, LRIS) will be established to provide on-going technical and application support for Tribal, OST and BIA system users via a 1-800 telephone number.

G. Develop LRIS Training.

The selected contractor will be tasked to organize and deliver systems training prior to system roll out. It is critical that good training courses and materials are developed to prepare users for LRIS operations. These will be developed concurrently with development of the LRIS initial core capability. Training methods and materials may consist of a combination of the following: manuals, self-paced training, computer-based training, classroom training and on-line help. The choice of training strategy is determined as part of the detailed project planning. Training on the new LRIS is expected to include both BIA users and designated support personnel. Designated personnel will perform as "train the trainers" staff, continuing with a training mission. This cadre will schedule and deliver training to new users throughout the conversion in other sites. User training is scheduled for completion approximately one month prior to implementation of the new LRIS, in a "just in time" approach to ensure user retention of the training information and skills. The provider will be tasked with staffing an extensive help desk to aid in the conversion and training effort. Training of BIA Areas will commence by May, 1999.

H. Develop Conversion Utilities.

Conversion software will be developed as necessary to move legacy data to the LRIS system. In preparation for conversion, data may need to be cleaned up to make conversion practical and effective. The extent and nature of this clean up will be determined as part of the BIA Data Clean up Sub project. The design and development of conversion utilities will help to clarify the process necessary to perform this clean up. Data clean up required to prepare data for conversion is covered as an activity of the BIA Data Clean up Sub project. The scheduled completion date is in time for conversion of Pilot Site data, estimated as May, 1999. This schedule could change depending on implementation approach.

I. Complete Data Conversion and Reconciliation.

As each site goes operational, its legacy data will undergo conversion and made compatible with LRIS. This conversion process will be performed by the contractor with BIA's IRM assistance. This process should be able to be performed in a time frame that does not interfere with BIA and OST operations. Data quality measurements will be performed to ensure the converted data meet goals for correct conversion. Data conversion will be accomplished at one of the following sites: Central Office West, deployment sites, or contractor facilities. The location will depend on the technical approach selected. Data conversion must be completed immediately prior to each site deployment, with Pilot Site conversion

completed by June, 1999.

J. Initiate and Pilot LRIS at BIA's Billings Area.

Once the initial capability is completed, deployment at the Billings Area Office and one or more agencies associated with Billings will begin. The decision to cutover completely to LRIS or to operate in parallel with the legacy systems will be made prior to deploying the Pilot based on a risk assessment performed by Mitretek, BIA and OST. The purpose of the Pilot is to determine whether LRIS is ready for full deployment. To ensure that this assessment can be made, LRIS must be used extensively by a wide number of Pilot site users. An operational assessment will be made by BIA and Mitretek to determine readiness. Any problems or deficiencies that interfere with readiness will be corrected by the development contractor before full deployment is attempted. If no significant problems are encountered, the Pilot should last approximately 90 days. Pilot Site deployment will begin in June, 1999, and with planned completion in August, 1999.

K. Commence and Complete Rollout of LRIS at Rate of 1 BIA Area Per Month.

Once a successful Pilot has been conducted, deployment to the rest of BIA should occur. Deployment is expected to be performed in conjunction with TAAMS deployment, using the same methodologies and approaches for deployment as described in the TAAMS Sub project. After the successful completion of the Billings Pilot, deployment to each new area will begin September, 1999. Support will be required from the implementation contractor and site personnel. Areas will be completed on the same schedule as TAAMS Conversion, with completion of all sites by October, 2000.

LRIS CONVERSION SCHEDULE

BIA AREA	PERIOD	YEAR
Billings	June - August	1999
Anadarko	September - October	1999
Juneau	September -October	1999
Aberdeen	November - December	1999
Albuquerque	January - February	2000
Navajo	January - February	2000
Muskogee	January - February	2000
Eastern	March	2000
Minneapolis	April - May	2000
Phoenix	April - May	2000
Portland	June - July	2000
Sacramento	June - July	2000
Stabilizing and Adjustment	July - September	2000

L. Develop LRIS Increment 2 Project Plan.

Once the Billings Pilot is completed, planning for Increment 2 will begin. User feedback from the Pilot will be assessed to prioritize requirements identified in the first task, Develop LRIS Requirements and Detailed Plan. Additional requirements may be identified based on actual use. Requirements will be allocated to Increment 2 and future increments. The goal is to add additional functionality to LRIS to support resource management activities by releasing new capabilities on a regular basis, minimally once a year. Planning for Increment 2 will begin after the Pilot Site deployment is completed. Plans are scheduled for completion by January, 2000.

M. Develop LRIS Increment 2.

Increment 2 and future increments will be implemented in a manner similar to Increment 1. Again, Joint Application

Design (JAD) techniques will be used to develop the system enhancements. A Pilot site approach will be utilized for deployment. Contractors used for Increment 1 are likely to be used for future increments. The second increment of LRIS is planned for completion in September, 2000, to begin Pilot Site Deployment at that time.

9. MMS SYSTEMS REENGINEERING

In this Sub project, the MMS will design and implement new royalty management business processes and automated support systems for the 21st century. The Royalty Management Program (RMP) Business Process Reengineering Initiative will address all core business processes and automated support systems, within RMP's financial, accounting and compliance operations. While the reengineering effort encompasses all of the Royalty Management Program (RMP), for purposes of this implementation plan, we will highlight how our Indian program will be impacted and how changes will contribute to trust management improvements. The future RMP will be process centered; focused on outcomes; less costly; and well positioned to meet mission requirements. The future end-to-end process designs, organizational structures, and modernized automated information systems, once finalized and implemented will enable the future RMP to deliver the very best royalty management services at the lowest possible costs. The uniqueness of Indian mineral leases has played a significant role in conceptualizing the future RMP processes and support systems throughout the initiative. Indian Tribal and allotted mineral owners will benefit in significant ways from the reengineered RMP.

Improvements under consideration include:

- C Reducing RMP's current business cycle from 6 to 3 years, consistent with expected industry standards;
- C Aligning RMP's operations into two core end-to-end business processes

(performance-based teams to plan, organize, prioritize and accomplish work focused on desired outcomes);

C Establishing organizational accountability for compliance and asset management outcomes at the producing property level (mineral leases would be brought in compliance and kept in compliance);

C Simplifying current regulatory reporting requirements to reduce reporting burden for both RMP and industry (royalty reporting is expected to be reduced 40 percent);

C Modernizing RMP's automated information infrastructure.

Expected benefits for Indian mineral owners include:

C Accelerated availability of money to Indian recipients;

C Dramatic reduction in RMP business cycle from 6 to 3 years;

C Improved focus and effectiveness of compliance activities on Indian lands by changing to a property and producing area approach. This will better support major portion and dual accounting calculations and permit the development of detailed knowledge of producing-area-specific factors that impact Indian royalty calculations;

C Improved accuracy and additional detail over current production reporting requirements by converting from the MMS Form 3160 to the MMS Form 4054, Oil and Gas Operations Report;

C Modernized automated systems and data structures that are scalable and portable will:

- facilitate delegation, compacting, and contracting by Tribes, and

- provide substantially improved data access, analytical capability and assurance of continued systems reliability;

C There may also be potential for additional detail over current royalty reporting by building the capability for well-level financial reporting versus the current lease-agreement level reporting. However, we are still looking carefully at the costs and benefits should this be implemented.

In August, 1996, the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (RSFA), was enacted into law. This law amended the Federal Oil and Gas Royalty Management Act, the Outer Continental Shelf Lands Act, and the Mineral Leasing Act. In doing so, RSFA significantly changed many of RMP's historical operating assumptions as well as some fundamental Federal oil and gas mineral revenue financial activities. Although near-term changes in processes and systems needed to be made to implement the law, it was clear to RMP managers that longer-term strategies, business processes and aging systems must be addressed for RMP to be cost-effective and responsive to customer needs. A decision was made April 1, 1997, to go beyond a then existing compliance reengineering initiative and instead conduct an in-depth reengineering of all RMP core business processes. This is the most comprehensive review of the RMP's business processes and organization since its creation in 1982.

The work of this Sub project is directed by the MMS Royalty Management Program. Milton Dial, Program Reengineering Office, Royalty Management, MMS is responsible for completing this Sub project.

The estimated Project Budget for this effort is depicted in the table below.

PROJECT BUDGET - MMS System Reengineering			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [9]
Dollars in millions		1.0	4.7

The particular tasks and milestones necessary to successfully complete this

[9] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

Sub project are outlined in the following task descriptions.

A. Initiate Program-Wide Reengineering with Full-Time DesignTeam.

In April 1996, the RMP undertook a compliance reengineering initiative to examine the current compliance strategy and determine the best approach for accomplishing future goals and objectives. A decision was made April 1, 1997 to go beyond compliance reengineering. A multi-disciplinary design team with representatives from all operational areas of RMP, MMS's Office of Policy and Management Improvement, and the State and Tribal Royalty Audit Committee was assembled and trained for this task. The work of the design team is guided by a charter developed by RMP senior managers. Business Process Reengineering (BPR) consulting services are provided by Gene Rouleau and Associates, Inc. Additionally, Performance Engineering Corporation (PEC) is supporting the initiative in areas of information technology and BPR.

The Program Reengineering Office has been established in the Office of the Associate Director for Royalty Management. The Office is responsible for overall management and coordination of the Reengineering Initiative and reports to the MMS Quality Steering Committee for general guidance and direction. In addition to the full-time design team, ad hoc teams are being used to accomplish a variety of steps in the reengineering effort. Ad hoc partnerships with customers and suppliers will help define future business approaches and processes and participate in prototyping and testing.

B. Identify Processes for Business Process Review.

The design team examined the current RMP business environment and focused its efforts on all core business processes within mission critical operations. Administrative support processes are excluded.

The business environment in which the RMP administers royalty payments is similar in many respects to private land and State land minerals owners. In scale of activity, however, the variety and complexity of lease terms, it is significantly different. Currently, the RMP administers the rental, royalty, net profit share and other financial terms for nearly 26,000 producing mineral leases. In addition to onshore Federal lands and Outer Continental Shelf lands, this universe includes 3,800 Indian Tribal and allotted lands leases. The RMP also administers approximately 46,000 non-producing mineral leases. The RMP has a broad customer and stakeholder base including interfaces with the Bureau of Land Management (BLM), BIA and MMS Offshore Minerals Management. Over 2,000 companies report and pay royalties monthly and over 3,000 operators report production on a monthly basis.

To accomplish its mission, the RMP is staffed with approximately 610 employees and an additional 190 personnel under contract to provide systems and operations support, and over 100 State and Tribal auditors to augment the RMP audit effort. Automated systems are critical to supporting RMP's royalty and production reporting, accounting, financial and compliance operations. The primary automated systems used by RMP include: the Auditing and Financial System; the Production Accounting and Auditing System; and the Business Information

System.

The current systems environment is centered around a Hitachi Data Systems Enterprise Server. Combined, the systems represent over 2.1 million lines of application code and are supported by a 71 gigabyte database. Additional client/server applications provide functionality not delivered in the primary business systems. The RMP and its clients are served by a growing telecommunications network, including over 100 State and Tribal users in 34 locations to access royalty and production data.

C. Benchmark the Processes.

The design team conducted extensive benchmark surveys of other public and private enterprises within and outside the United States to identify the "best practices" for consideration in the design of future RMP processes. Over 30 organizations were included in the bench marking effort. This task was largely completed in December, 1997, but represents a continuing activity as additional areas of opportunity for process improvement are brought to light.

D. Map Processes.

The reengineering design team examined the current RMP business environment with an intensive mapping of its "as-is" process. This was augmented by an in-depth assessment by PEC of the automation infrastructure supporting the existing business processes. This task was completed July 11, 1997.

E. Obtain Customer/Constituency Input.

As part of this effort, the following organizations are consulted on an on-going basis:

- State and Tribal Royalty Audit Committee
- Royalty Policy Committee
- Council of Petroleum Accounting Societies
- BLM
- BIA
- MMS Offshore Minerals Management

Furthermore, a reengineering site on the MMS Homepage was created to expand public awareness of the Initiative and provide an avenue for communications over the world wide web.

F. Complete Preliminary Design Document and Gain Decision to Proceed.

MMS issued the Preliminary Design Concepts Report of the RMP Reengineering Team in March, 1998.

Development of the preliminary design concepts was guided by design parameters and performance stretch goals defined by RMP senior managers. Specifically, future systems and processes were to be capable of:

- Supporting the collection of royalties both in-cash and in-kind.
- Supporting delegated activities related to royalty administration.
- Permitting the use of a variety of methodologies to value production.
- Permitting RMP to provide related financial services for other customers through franchising arrangements.

Performance stretch goals determined were:

- Assuring compliance with applicable laws, lease terms and regulations for all leases in

the shortest possible time, but no later than 3 years from the due date.

- C Providing revenue recipients with access to their money within 24 hours of the due date.

The design team was also guided by the following parameters in development of work:

- C Current laws will continue to apply.
- C RMP regulations can be changed.
- C New work processes should cost less than the current equivalent mission costs.

With the completion of the preliminary design concepts, the design team identified key issues in three areas that needed to be addressed to achieve the performance stretch goals and parameters envisioned: organization and business processes, automation infrastructure and information needs.

G. Complete Prototyping and Pilot Testing.

Based on the findings and recommendations presented in the Preliminary Design Concepts Report, the design team is now analyzing and testing many of the concepts and technologies through prototyping and piloting. Pilot testing and prototyping is expected to continue through the summer of 1998 and will enable MMS to:

- C Refine the process design
- C Demonstrate new technology
- C Quantify benefits
- C Refine estimates on resource requirements

H. Design Documents and Implementation Plans.

Performance Engineering Corporation has provided MMS with recommendations on technology alternatives and a suggested development and implementation schedule. The start and length of the implementation schedule is driven by the implementation contract award dates and subsequent negotiations with the selected contractors. An MMS Integrated Project Team is in place to manage budget and acquisition processes involved in moving from design to implementation.

The Final Design Concepts document, further defining RMP's Business Processes, is expected in September, 1998.

I. Initiate Design of New Automated Support Systems.

While retaining some of the existing applications and technical infrastructure is possible, the most viable alternative is for RMP to move forward with new applications and technologies. Final functional design specifications and associated requirements analysis will ultimately determine the most appropriate systems architecture and optimal mix of capabilities.

Specific technologies under consideration include:

- C A Relational Database Management System
- C Workflow and Case Management
- C Internet, World Wide Web, and Intranet
- C Interactive Voice Response Systems
- C Imaging and Optical/Intelligent Character Recognition
- C Index and Search Tools
- C Data Warehouse
- C On-line Analytical Processing Tools
- C Geographic Information Systems
- C Electronic Data Interchange/Electronic Commerce

Prior to development of systems, a

requirements gathering process is needed. Preliminary design concepts and technology recommendations will translate into final designs. Phased implementation is a possible scenario under consideration for these technologies. A detailed performance and an investment benefit/cost analysis is expected in the summer of 1998.

Development and award of the first contracts leading to design and installation of RMP Support Systems is anticipated in FY 1999.

J. Implement New Systems and Organizational Structures.

Implementation of automated systems and processes based on the overall project effort will begin in FY 2000.

10. RECORDS MANAGEMENT

The objective of the Records Management Sub project is to arrive at a joint records management solution for Interior trust records, involving OST, BIA, MMS, BLM, OHA and other participating DOI Offices. The scope includes Indian trust records management, storage, access, control and disposition and contemplates electronic records keeping including imaging technology.

The problems with BIA's records management program, including Indian trust records, are documented in numerous audits and oversight reviews. For instance, the 1990 report documenting the National Archives and Records Administration (NARA) evaluation of BIA's records management program revealed BIA's records program needed improvement in a number of areas to comply with applicable Federal, Departmental, and Agency regulations. Since the trust funds management functions was transferred by Secretarial Order from BIA to the OST in 1996, most of the deficiencies apply to OST as well. In its 1990 report, NARA cited the following major deficiencies:

- Inadequate response or no response to serious problems identified by previous NARA evaluations;
- Continued mistreatment of permanent records maintained by Land Title and Records Offices;
- Insufficient records management staff at the headquarters level and an inconsistent assignment of records management staff and their associated duties throughout headquarters and field operations;
- Lack of a cohesive network of professionals to administer the records management program;
- Inadequate management involvement in implementing the Bureau's (and the Department's) regulations relating to records management;
- Failure to carry out the provisions of the Indian Self Determination Act (PL 93-638) by not providing systems and resources for tribal organizations to properly manage Federal records;
- Inadequate records management training;
- Inconsistent application of filing methods and approved disposition instructions;
- Lack of a program of internal records management evaluations;
- Poor communications among records management staff members, records custodians and program offices;
- Large volumes of inactive records (many of which are permanently valuable or are potentially permanent) maintained in agency space, some under adverse environmental conditions.

Although BIA dedicated significant planning, budget and staff resources in an effort to improve this situation in the early 1990's, the budget reductions imposed during the 104th Congress erased most of these increases.

The OST and BIA have established a joint working group at senior manager levels to assess and organize a joint solution to records management problems. The initial planning assumptions, subject to continuous review by the Department and the National Archives and Records Administration (NARA) contemplate:

- Shared budgetary resources directed to a single, joint records operations solution, which will likely include shared staff and facilities;
- Cost effective, workable solutions to

temporary records handling, storage, and retrieval, which relies on the use of contractor assistance and NARA as fully as possible;

C Cost efficient temporary physical storage facilities pending accession to NARA, Federal Records Centers, and Archives ;

C Appropriate preservation and safeguarding of records from loss, damage, destruction and unauthorized access;

C Provision of training, guidance, and oversight of records in OST and BIA trust operations under a joint operations concept.

The workload is sited principally in Albuquerque, New Mexico and in Washington, D.C., among the various Bureaus and Offices of the DOI engaged in any aspect of the management of Indian assets held in trust.

A Joint Working Group comprised of representatives from the Department, OST, BIA, MMS, and BLM are jointly responsible for coordinating this Sub project.

The estimated Project Budget for the OST relating to this effort follows:

PROJECT BUDGET - Records Management			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [10]
Dollars in millions	3.6	4.6	8.9

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Establish Joint OST/BIA Working Group to Coordinate Joint Records Solution.

This task was completed on February 11, 1998, in the form of a joint BIA/OST memorandum appointing the Records Management Working Group. This document chartered the Working Group with formulating and presenting to OST and BIA management, and the Department's CIO, accomplishment of the tasks and actions necessary to accomplish this Sub project's goals and objectives.

B. Complete Transfer of Control Over Trust Financial Records From BIA to OST.

This task comprises the initial work undertaken by the Working Group, and was completed on March 5, 1998. The chosen method of transfer was a series of three memoranda and letters addressed from BIA to the Special Trustee, NARA and the Indian Trust Accounting Division, parties presently in possession and control of financial trust records. These parties were advised that the records were transferred to the custody of the OST. The BIA authorized OST to transfer and access all financial trust-related records identified in the 16 BIAM, BIA Record Schedule, Appendix I, series 4800 and 4850 (Trust Fund and IIM).

C. Prepare Financial and Work Plans for OST and BIA Records Operations.

The OST and BIA, respectively, will identify and prepare a financial plan and a work plan for the budgetary and staff resources committed to, or allocated for records management operations. The Working Group will locally coordinate the separate submissions, which will be consolidated within the OST for reporting purposes. Drafts of these submissions were provided to BIA and OST management on June 30, 1998.

D. Develop Joint Procedures for Records Access.

[10] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

Joint procedures for access to trust-related records are spelled out in the draft memorandum of understanding developed between OST and BIA during March, 1998, now awaiting Departmental level signature. The agreed provisions with regard to joint access provide that both parties will provide access to their active and inactive records to conduct daily government business. Access is made by on-site inspection, review and copying. Formal notification, control, records shipping and return procedures are specified. The task was completed on June 9, 1998.

E. Develop Agreement Between OST and BIA on Records Operations.

The OST and BIA will jointly prepare a Memorandum of Understanding (MOU). The primary goal of both organizations is to establish and maintain Records Management systems for Indian records based on the trust responsibility and fiduciary trust concepts. These systems, which will include separate Records Schedules, will ensure trust records are preserved for appropriate periods to ensure the fiduciary trust accountability of the United States to the American Indian Tribes and individual Indians. The MOU will address the identification by number of all financial trust records transferred to the responsibility of OST, the OST and BIA temporary storage locations for the Indian trust records under their respective custodianship. It will also include identification of all trust-related records and the procedures for joint access to both active and inactive trust records, and the incorporation of the OST and BIA agreement to update the BIA and OST Records Schedules to accurately reflect all "frozen" trust funds-related records. In addition, the MOU will detail the joint goals and objectives of the OST and BIA, as tasked to the Records Management Working Group. This this task was completed on June 9, 1998.

F. Prepare Plan to Comply with Electronic Records Regulatory Requirements.

The DOI Joint Working Group will prepare a plan and begin implementation of sound electronic records practices. These practices will comply with NARA and Departmental policies for the care, handling and disposition of electronic records in accordance with NARA and Departmental published standards. Work on this task will begin in September, 1998 and is scheduled for completion by April, 1999.

G. Prepare and Gain Approval of Records Imaging Technology.

Electronic imaging is the tool selected by OST as a major component of the solution to Indian trust records management and retrieval deficiencies. OST will acquire the services of a contractor for electronic imaging to provide a systematic approach to improve overall trust records management, to support the OST Financial Trust Data Clean up Sub project described above, to support on-going OTFM operations, to facilitate collections and delivery of records in connection with the on-going IIM litigation and to implement the new Trust Funds Accounting System and the new Trust Asset and Accounting Management System. In line with Congressional and OMB guideline, OST will use a contractor to operate, maintain and execute imaging services. OST electronic records practices will comply with the NARA instructions for the care and handling of electronic records in accordance with NARA's published standards. Departmental approval of the OST imaging project was granted on January 23, 1998, and re-affirmed on June 30, 1998. Office of Management and Budget approval was obtained on May 22, 1998. A pilot of imaging operations commenced in OST on June 30, 1998, following the mid-May 1998 completion of a

third party evaluation of OST's proposed methodology, investment, and contract vehicle.

H. Develop Respective Records Control Schedules.

OST and BIA will develop separate Records Control Schedules, separate Freedom of Information Act operations, and separate Privacy Act Systems of Records. Coordinators for each of these functions are designated at Area/Agency locations, responsible for each agency's daily operations. Records Liaisons are designated for program offices at all locations where OST and BIA records are created, maintained and disposed. Access is provided to the respective agency's records, and access provided to the respective agency's Privacy Act System of Records for the conduct of daily business. This task is expected to complete by September, 1998.

I. Develop an Agreed Upon Approach to Indian Trust Records Management.

OST, BIA, BLM, and MMS will jointly develop, with the assistance of NARA and Departmental staff, cost-effective alternative approaches to Indian trust records management. These alternatives will be presented to the Assistant Secretary - Policy, Management and Budget for recommendation to the Secretary. The selected alternative will guide implementation of the other steps in this Sub project. Appropriate staffing and contracting plans will be developed to support the agreed upon approach. This task is scheduled for completion by December, 1998.

J. Commence Records Imaging Efforts.

In line with the schedules set for conversion to the new Trust Funds Accounting System, OST will commence imaging of selected trust financial records in order to make those records available to the field level personnel engaged in day to day trust management operations. The scheduled start date for record imaging of June 30, 1998, was met.

K. Prepare Analysis of Records Storage Requirements.

Many of BIA and OST's trust records, listed as "temporary" under current Records Schedules, and therefore subject to destruction, must undergo reevaluation as to disposition. These records may require preservation for longer periods to meet the Department's fiduciary responsibilities and for litigation requirements. OST will work with BIA to provide justification and negotiate with NARA to assure records are protected and secured appropriately. Both OST and BIA will provide the temporary storage location and complete inventory listing of all records, to include those removed by either agency. Further, a revision of existing Records Management Policy is necessary to include disposition instructions for all series of records created, maintained, and received by OST and BIA, especially nontextual records such as electronic and microfilm records. This task is scheduled for completion by January, 1999.

L. Develop Training Plans, Schedules, Manuals and Training Aids.

Develop the courseware and training material needed to provide a continuing series of records management training courses available to all staff members with records-related duties. Different levels of training are under development depending on the knowledge required by the various audiences. The sessions will include, as appropriate, information on the care and

handling of electronic records. Briefings are under development for program office heads to inform them of responsibilities with regard to the proper management of Federal records, including the management of fiduciary, trust management records generated or maintained with the DOI. The course content will include records management policies, procedures, and regulations of BIA, OST, the Department and the Federal Government. The training described herein will be coordinated in, and with, the Training Sub project. This task is scheduled for completion by January, 1998.

M. Develop/Update Policies and Procedures For Trust-Related Records, and Coordinate with MMS, BLM, and DOI.

Policies and procedures supporting trust-related records are under joint development and will cover records management, trust records operations, training handbooks and standards for evaluation of trust records programs. Additionally, improved control over Tribal record keeping practices is expected through new/revised guidelines, procedures, and support systems. This task is coordinated with the Policy and Procedures Sub project. This task is scheduled for completion not later than June, 1999.

N. Conduct Training of Records Staff and Trust-Related Program Personnel.

Deliver the training and briefing information developed in Task J, above. The initial coverage contemplated in Task J is scheduled for completion by June, 1999; thereafter, training is provided on an on-going basis.

O. Develop Contingency Plans for Potential Hazardous Impacts to Records.

Previous audits and oversight reviews have revealed trust-related records are, in many cases, improperly stored. OST and BIA will upgrade records staging and storage areas to meet minimum environmental and safety standards, as prescribed by 36 CFR 1228.222. In addition, electronic record keeping and imaging will be investigated as a backup to valuable records and records at risk. Development of a timetable will be developed for the transfer of permanently valuable records to NARA's Federal Records Centers and the National Archives. This task is scheduled for completion by June, 1999.

P. Establish Evaluation Teams and Conduct Cyclic Evaluations of Records Programs.

A program of regular Records Management staff visits is under development and its implementation will provide guidance and assistance. A specific, designated joint team of Records Management specialists will receive training and funding to accomplish this task. Further, a program of internal evaluations is under development, as required by 380 DM 2.5B, to gauge the effectiveness of OST and BIA Records Management Programs. The program is cyclical, targeting each program office once during the evaluation period, and will make provision for follow up reviews. This program is designed and implemented for the express purpose of ensuring OST and BIA Records Management Programs do not lapse to former inadequate levels. Oversight is provided by the Department's Office of Information Management and NARA's Office of Records Administration. This task is subject to the internal control oversight contemplated under the Internal Control Sub project. This task will be on-going.

Q. Deliver Training to Account for Staff Turnover, Cyclic Reviews, and New Methods.

Following initial delivery of the training and briefing information developed in Task J above, training and briefing updates are provided on an on-going basis to provide for staff turnover, cyclic reviews and the imparting of new methods.

11. POLICY AND PROCEDURES

The objective of this Sub project is to inventory, to review and revise, and to develop and establish, where appropriate, policies and procedures to facilitate the proper management, accounting, investment, audit and reporting to account holders of Indians' trust assets.

The DOI, through the OST, is required by the American Indian Trust Fund Management Reform Act of 1994 (the Reform Act) to bring about the better accountability and management of Indian trust funds. OST is required by the same Act to oversee and ensure the needed reforms regarding all aspects of the management of Indians allotted lands and the trust funds derived from them are accomplished. There is no single document or series of documents or manuals identifying and setting out all trust account related policies, procedures or practices. While policies and procedures have been implemented which have a significant impact on the many management and accounting issues that arose in the past, the majority of them are not documented. Many existing policies are assumed outdated because of their age; some date back over 50 to 100 years or more. In addition, existing regulations must undergo revision and reestablished to conform with the requirements of the Reform Act and subsequent delegations of authority.

The workload is sited in Washington, D.C., among the various bureaus and departments of the DOI engaged in any aspect of the management of Indian assets held in trust, and OTFM in Albuquerque, New Mexico.

Richard V. Fitzgerald, Trust Policy Officer, OST, is responsible for coordinating this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - Policy and Procedures

Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [11]
Dollars in millions	.2	.2	1.0

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following.

A. Organize and Establish An Inter-Bureau Policy and Procedures Committee to Organize and Pursue the Above Stated Objective.

The committee is planned for establishment and will initiated its work on June 23, 1998.

B. Inventory Existing Policies and Procedures.

This task is needed to give the Special Trustee and the various bureaus and departments of the DOI engaged in any aspect of the management of Indian assets held in trust specific information concerning all current policies and procedures. The inventory of existing policies and procedures is scheduled for completion by August, 1998.

[11] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

C. Review Existing Policies and Procedures and Delegations.

In addition to creating a standard of performance for the Federal government as trustee of these particular Indian trust assets, the Reform Act requires the Special Trustee to recommend what trust reforms are required so that provisions of the law can be met, to certify that the budget requests supporting trust management functions are adequate to discharge effectively and efficiently the Secretary's trust responsibilities, and to implement the comprehensive Strategic Plan. The Reform Act requires that the Strategic Plan address all phases of the trust management business cycle. A review of all existing policies and procedures and delegations is therefore needed to determine whether the various policies of the various bureaus and departments engaged in any aspect of the management of these Indian assets are consistent with one another, form an organic whole, comply with generally accepted fiduciary principles, and are uniformly interpreted and executed for the best interest of the American Indian beneficiaries. The necessary revision of existing policies and the formulation of new policies where appropriate will be completed by December, 1998.

D. Revise Existing Policies and Develop and Establish New Policies and Supporting Procedures, Where Necessary.

The review of existing policies and the clean up of trust financial records most likely will disclose gaps and anomalies in existing policies as well as policies that are outdated. Where existing policies are judged to be inadequate for the effective and efficient discharge of the Federal government's fiduciary responsibility with respect to these trust assets, they must be revised and amended so that the trustee will be better able to comply with the requirements of the Reform Act. The necessary revision of existing policies and the formulation of new policies where appropriate will be completed by September, 2000.

E. Revise Existing Procedures and Delegations and Establish New Procedures and Delegations Where Necessary.

The review of existing procedures and delegations as well as the clean up of the database most likely will disclose that some procedures and delegations do not effectively support the proper implementation of appropriate trust policy. Such procedures and delegations must undergo revision and, where necessary, amended, to ensure that trust policy is effectively and efficiently carried out. The necessary revision to existing procedures and delegations and the implementation of new procedures and delegations where appropriate will be completed by September, 2000.

F. Draft and Publish Appropriate Trust Policy, Procedures and Management Handbooks and Manuals.

The Reform Act requires the Special Trustee to oversee and ensure needed reforms regarding all aspects of the management of Indian allotted lands and the trust funds derived from them are accomplished. At present, there is no single document or series of documents or manuals that identifies or sets out all trust account related policies, procedures or practices. It is evident at least some

policies and procedures are not documented. It is a fundamental principle of management that the policies guiding the operation of any large undertaking and the procedures and delegations for implementing those policies be clearly and completely documented in appropriate publications and communicated through all levels of the trust operation. Appropriately crafted Handbooks and Manuals foster consistency of interpretation and operations. The publication of appropriate Trust Policy, Procedures and Management Handbooks and Manuals will be accomplished by September, 2000.

G. Devise a Workable and Uniform Method For the Future to Review, Revise and Establish Policies.

The fundamental responsibility of the trustee is to ensure competent management of the trust assets through the use of appropriate plans and policies; to monitor trust operations, ensuring adequate internal controls and compliance with applicable laws and regulations; to oversee trust performance; and to ensure the fiduciary administration of these assets is in the exclusive best interest of these American Indian beneficiaries. As the trustees' financial records must be audited on a regular basis, its management operations should also be audited. Policies, procedures and delegations should be reviewed on a regular basis to ensure that they remain adequate and appropriate to the proper discharge of the trustee's fiduciary responsibilities. A management audit and review system will be in place no later than September, 2000.

12. TRAINING

The objective of the Training Sub project is to increase DOI and Tribal trust personnel job performance and interorganizational effectiveness by providing excellent, targeted training to the OST, the BIA, trust land asset management organizations (Land Title Records Offices and other realty personnel), and Tribal representatives and members centering on: 1) System Implementation Training; and 2) Function/Task Training.

The 1997 Needs Analysis Project report by Macro International included an extensive survey and review of training requirements in support of the TMIP. Based on extensive interviews with literally hundreds of Interior trust personnel and Tribal representatives across the nation, Macro International developed and compiled valuable information about, and significant support for trust training. Interviewees were asked what training they had received, as well as what training they needed. Training, both trust and skills related, was cited by members of the Indian trust fund world as one of their most critical and urgent needs. For example, computer training was mentioned as the most frequent type of training received, yet it consistently ranked within the top five types of training needed across all types of staff. In addition, trust training and accounting training was mentioned as two types of training frequently received by staff, yet these topics were also mentioned as needed across staff types.

Macro's findings about the training audience and the training environment included the following:

- A significant number of trust personnel live and work in isolated communities, making it difficult for them to travel to training sites or for trainers to reach them;
- Some personnel would prefer training at their work sites rather than having to travel;
- The training audiences are very diverse in age, culture, level of knowledge, language and geographical location. Length of time performing job tasks varies from a few months to many years;
- Training is needed at every staff level;
- Most personnel do not understand the "big picture" of how the trust system works, nor do they understand interorganizational relationships;
- Finding the time to attend training is difficult for most trust personnel, primarily because time away from the job results in a severe backlog, as backup staff are not available;
- Most people were unable to identify any criteria or standards for their job; many wanted guidance in this area;
- There are situations where training has been delivered but the new skills are not being used;
- Many tasks have *de facto* policies and guidelines in place, but there are no official policies and processes;
- Some tasks are still completed manually because people are uncomfortable using new technology;
- Personnel have new equipment or software but do not know how to use it; many offices were upgrading equipment and software the day of our visit.

The training effort must provide trust system personnel with the necessary skills to support the fulfillment of the Secretary's trust fiduciary role. Failure to provide the

necessary training, as well as failure to monitor trust personnel performance, will directly result in the Secretary's inability to fulfill his fiduciary responsibilities.

The plan and tasks outlined below will provide the assurance trust management personnel are receiving excellent, targeted training.

The workload is sited in the field offices and locations of the various bureaus and departments of the DOI engaged in any aspect of the management of Indian assets held in trust. Specific examples include IIM Staff of the OTFM, OTFM personnel in Albuquerque, New Mexico, BIA Area and Agency Offices and Tribal government locations nationally.

Dianne Moran, Trust Operations Officer, OTFM, OST, is responsible for completing this Sub project.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - Training			
Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [12]
Dollars in millions	1.3	1.0	6.0

The particular tasks and milestones necessary to successfully complete this Sub project are outlined in the following tasks.

A. Schedule and Deliver Training for 105 Personnel by TFAS Contractor.

Training on the new Trust Funds Accounting System is planned for both the users and the OST support personnel, a total of 105 personnel. Of this number, five OTFM personnel are designated and will perform as "train the trainers" staff, continuing with a training mission. This cadre will schedule and deliver training to new users throughout the conversion in other sites. User training will be planned for completion approximately one month prior to implementation of the new Trust Funds Accounting System to each Area, in a "just in time" approach to ensure user retention of the training information and skills. An extensive Help Desk provided by SEI Investments will aid in the conversion and training effort. The training of Phoenix Area and OTFM staff is planned for July 31, 1998.

B. Acquire External Professional Services of Training Contractor.

A contract to assist in the on-going, long term training of trust management personnel is planned for award to a professional training delivery contractor and provider by August 31, 1998.

C. Obtain Training Information From Trust and Realty Employees.

A survey and the resulting training information regarding trust and realty employee training profiles is expected by February 28, 1999.

D. Analyze Findings by Job Category and Skill Clusters; Describe Reported Needs and Gaps.

According to consulting firm which conducted the initial survey, Macro

[12] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

International, the training must include an emphasis on skills development in customer service, accuracy in accounting, sound financial and investments decisions and activities, accurate and timely reporting, and protection, use, and management of the Trust's assets. The training mechanism must reflect the federal government's and the Tribe's legislative, regulatory, judicial, and other requirements for management of the trust. In its April, 1997 final report, Macro International reported the following critical training requirements with regard to the Department's trust functions: basic Trust Management and specific trust asset management; computer skills; communication skills; accounting; investments; managerial/supervisory skills; policy and procedures training; operational roles and responsibilities; and, customer relations. The scheduled completion date is May, 1999.

E. Determine Gaps--Missing Categories and Skills.

Following the survey and training information about trust and realty employee training profiles collected and analyzed in Tasks C and D above, training is mapped against categories and skills needs to aid in developing a model for required trust training. This task is scheduled for completion by May, 1999.

F. Identify Existing Courseware to Meet Skills Gap.

Macro International, the OST contractor that assisted with the development of the April, 1997 Strategic Plan, surveyed the market for available training courseware. Macro detailed the following as readily available and applicable to trust management personnel needs: Indian Self-Determination & Education Assistance Act, P.L. 93-638; Tribal Constitutions & ByLaws; Tribal Court Procedures; Jurisdiction in Indian Country; Tribal Self-Government; Basic Indian Law; various government and privately furnished training courses on management and supervision. This task will update the existing courseware inventory and will finish by July 31, 1999.

G. Develop Courseware Not Available.

Macro International, identified needed courseware not available in the market. Recommended media delivery systems included desktop manuals, on-line manuals, videotapes, Web Pages, Distance Learning (video/satellite technology), and classroom instruction. Examples of missing courseware or courseware requiring development as presented by the contractor include the following.

- C Account Holder Profile
- C General Policies and Procedures
- C Probate Principles
- C Indian Trust Principles
- C Land Use Technical Expertise
- C Mapping and Survey Principles
- C Accountant/Auditor - Reconciliation Tasks
- C Accountant/Auditor - Reporting Tasks
- C Auditor - Investigator Tasks

This task is scheduled for completion by November, 1999.

H. Schedule and Deliver Non-Systems Training.

In this task, the contractor, aided by OST and BIA staff, will provide on-going trust management training to trust management personnel of BIA, OST, MMS, BLM, OHA and related Departmental Offices. This task will be on-going.

13. INTERNAL CONTROLS

The objective of the Internal Controls Sub project is to systematically address and ensure the resolution of current and historically documented internal control deficiencies cited across the entire trust management spectrum within the Department, through a comprehensive mapping and indexing against specific or new improvement action plans.

Concerns about the management and accountability for Indian trust funds and management of trust assets are a long-standing issue as far back as the 19th century. Tribes and individual Indians have long voiced concern about the accuracy of the BIA's accounting for trust fund receipts and disbursements and the effectiveness of natural resource management.

Reviews conducted over the past 15 years by the GAO, the DOI's Inspector General, and independent accounting firms have identified serious financial management and internal control problems permeating every aspect of the trust management spectrum. These audit and external oversight findings and recommendations have focused on serious internal control problems and variances in program operations ranging from a lack of standardized policies, practices and procedures to the inability to confirm cash balances, major inadequacies in accounting records and related systems, lack of segregation of duties and deficiencies in field operation and management areas including collections and disbursements of Indian trust funds.

In a larger sense, the Internal Controls Sub project comprises many elements addressed under the other Sub projects within the TMIP, that is, new and enhanced systems, data clean up, policy and procedures, training, etc. However, this separate Sub project for Internal Controls will ensure the full inventory of control deficiencies documented through audit and external oversight over the past 15 years are remedied on an issue by issue basis.

Areas of concern in Internal Controls include (but are not limited to) the following:

- Reconciliation of account balances with U.S. Treasury
- Investment practices
- Inconsistency in applying accounting policies and procedures - Lack of written policies/procedures
- Segregation of duties
- Understaffed operations (accounting, BIA realty/LTRO Offices)
- Lack of adequate training
- Lack of BIA Agency/Area controls in Special Deposit account management
- Lack of timely updating of land ownership records - backlogs
- Lack of an accounts receivable system
- Systems controls/security controls are inadequate
- Trust Fund Accounts are maintained without social security numbers, or categorized as "whereabouts unknown"
- Lack of disbursement policies and procedures/coordination between OST and BIA at field operation level

- C Collection functions lack policies and procedures; adequate oversight/administrative review; separation of duties
- C Lack of reconciliation of daily deposits
- C Lack of adequate land management systems i.e.(inventory, ownership, accounts receivable, lease management)
- C Cash management
- C Lack of reconciliation with U.S. Treasury suspense and budget clearing accounts
- C Missing records - inconsistent BIA records management practices
- C Verification of oil and gas royalty collection data
- C Lack of data processing controls
- C Inconsistent and insufficient Indian irrigation project payment management
- C Inconsistencies in Judgement Fund distributions and management

Harriet Brown, Program Analysis Officer, OST, is responsible for coordinating this Sub project among the OST, OTFM, BIA, MMS, BLM, OHA and the various Departmental Offices engaged in Indian trust management.

The estimated Project Budget for this effort follows:

PROJECT BUDGET - Internal Controls

Fiscal Year	FY 1997/1998	FY 1999 Estimate	FY 2000 Estimate [13]
Dollars in millions	2.6	1.3	3.0

The major tasks outlined in this Sub project provide the framework to provide adequate remedial action for each of the findings and recommendations cited in the numerous audits and external oversight reports dealing with Indian trust funds and natural resource management.

A. Develop Inventory of all Documented Internal Control Weaknesses.

The OST will develop an inventory of internal control weaknesses found over the past 15 years in various GAO, Office of the Inspector General (OIG), Congressional, and external reports dealing with weaknesses in the management of Indian trust funds and trust asset management. The OST is gathering a library of reports, which at present include the following array of audits and reports focusing on these areas:

- C 21 GAO Audits, Statements of Testimony before Congressional committees, letters, and reports highlighting recommendations in over 65 categories of areas of concern and internal controls;
- C 24 OIG Audits conducted since 1988, listing over 40 areas of recommendations;
- C 11 additional OIG audits providing extensive listings of material weaknesses ;
- C The U.S. House of Representatives Committee on Government Operations “Synar Report” (102-499) of April, 1992 listing over 27 areas of concern, findings,

[13] This estimate has been developed by the Sub project team. The amounts actually requested by the Office, the Department, or the President in FY 2000 may be more, or less.

and recommendations;

C 2 recent OIG Annual Financial Statement Audits (1995 and 1996) listing over 30 areas of concern and internal control related weaknesses;

C 5 recently conducted audits in draft report format, highlighting over 25 recommendations in areas of concern;

C 16 MMS and BLM related audits.

This task was completed on May 29, 1998.

B. Catalogue Relevant Audit Findings and Recommendation into an Analysis Framework.

Using the reports and inventory of audit findings and recommendations, the OST will catalogue these findings into internal control areas to enable examination of the extent of coverage of on-going improvements under the TMIP. A likely follow on step will include development of further remedial actions by the affected program areas. This task was completed on May 29, 1998.

C. Identify and Develop Remediation for Acute Internal Control Weaknesses.

An analysis of unresolved weaknesses identified in the most recent external audit of the OTFM by Griffith and Associates will yield the most acute internal control weaknesses and Remediation will begin at once. This may involve a special effort commencing immediately, or identification of improvements within other Sub projects of the TMIP. The scheduled completion date is August, 1998.

D. Analyze Weaknesses to Determine Current Status - Resolved or Unresolved.

Using the internal control areas established on the inventory and catalogue of the audit findings and recommendations, the OST, in coordination with the reported bureau or Office, will analyze the weaknesses highlighted within these findings to determine the current status of the findings. An assessment will be made regarding whether the findings have been or will be addressed and resolved by the programs cited, or whether a supplementary plan and effort is required by the respective bureau or office. The scheduled completion date is September, 1998.

E. Map Weaknesses to Current Improvement Efforts.

Based on the analysis of internal control weaknesses, those determined as unresolved will require tracking to the TMIP for incorporation of remedial actions into the overall plan to address these weaknesses. The scheduled completion date is October, 1998.

F. Coordinate with Affected Bureaus and Offices to Develop Action Plans.

Based on the inventory, cataloging, analysis, and mapping of weaknesses to the TMIP, the OST will coordinate with the designated bureau trust improvement project managers to develop remedial actions for each internal control point.

This process entails:

C Identification of relevant internal control findings to be corrected and tracked in the project to date;

C Coordination with program managers to determine appropriate corrective action and milestones within the parameters of the trust improvement project.

The scheduled completion date is October, 1998.

G. Develop Oversight and Follow Through Monitoring Procedures.

Based on input from the designated bureau trust improvement program managers follow through monitoring procedures will be developed. The scheduled completion date is November, 1998.

H. Establish Continuing Quality Assurance Presence to Prevent Relapses.

Based on the action plans submitted by program managers to address the internal control weaknesses identified, the OST will oversee implementation and provide a continuing quality assurance presence to prevent relapses. Adjustments to the plan will be made as needed through this process. The scheduled completion date is June, 1999.